

FULTON COUNTY AUDIT COMMITTEE

MEETING COMMITTEE MINUTES

December 10, 2018

Fulton County Government Center
141 Pryor Street
4th Floor Conference Room
Atlanta, Georgia 30303

MINUTES

Ratification Date: February 28, 2019

CALL TO ORDER: Chairman Bob Ellis 2:00 p.m.

MEMBERS PRESENT: Commissioner Bob Ellis, District 2
Commissioner Lee Morris, District 3
Phillip Hurd, Audit Committee Citizen Member

ALSO PRESENT: Anthony Nicks, County Auditor; Queena Jenkins, Audit Manager; Robbie Bishop-Monroe, Audit Coordinator; Stacy Jones, Assistant Audit Manager; Tracee Shields, Auditor III; Tamika Stinson Churchill, Auditor III; Ebony McNeill, Investigative Analyst; Trina Alston, Title VI Coordinator; Fred Hoffman, Chief of Staff to Commissioner Ellis; Sharon Whitmore, CFO; David Lowman, Assistant County Attorney, Abby O'Callaghan, Executive Assistant Board of Commissioners.

INTRODUCTION:

ADOPTION OF AGENDA: A call was made by Commissioner Bob Ellis, to approve and adopt the agenda. Commissioner Morris motioned to adopt and it was seconded by Phillip Hurd. **The motion passed by the following vote:**

Yeas: 3

Nays: 0

RATIFICATION OF MEETING MINUTES: The meeting minutes from September 13, 2018 were reviewed, accepted and approved. **A motion was made by Phillip Hurd to approve and seconded by Commissioner Morris to accept the minutes as presented. The motion passed by the following vote:**

Yeas: 3

Nays: 0

The final minutes will be placed on the Office of the County Auditor's website.

NEW BUSINESS:

Whistleblower Hotline/Fraud Hotline Update

There are one-hundred and sixteen (116) whistleblower hotline cases, which include thirteen (13) cases currently in process, three (3) pending cases from 2017, and five (5) new cases since the last audit committee meeting. There was a discussion surrounding the definition of what is meant by the title pending case, and it was discussed that these cases are pending due to a resolution from an office other than the County Auditor office (i.e. Personnel office). It was further discussed that there were no new significant matters. Case number one hundred and sixteen (116) was discussed; which, relates to a falsified doctor's note submitted by an employee within the Sheriff's department and Tracee Shields, Auditor III, discussed that a bulk of the cases are associated with personnel related matters.

Ebony McNeil, Investigative Analyst, explained that as of November 30, 2018, the audit team has conducted thirty-two (32) whistleblower presentations during the new employee orientation sessions with a cumulative total of nine hundred sixty-seven (967) employees that were present in those respective sessions.

Internal Audit Updates

Stacy Jones, Assistant Audit Manager, led the discussion surrounding the Internal Audit updates.

Travel and Training Audit

The audit was completed and released on October 31, 2018. The objective of this audit was to determine compliance with the Travel and Training policy.

Covendis Technologies Contract Audit

The audit was completed and released on November 7, 2018. This audit focused on effectiveness of the internal controls and compliance with procedures and regulations as it relates to contract management and contract administration.

A discussion pursued that any subsequent audit reports will be distributed to the Audit Committee.

P-Card and T-Card Analysis

Stacy Jones, Assistant Audit Manager, asked Tracee Shields, Auditor III, to present the status of the P-Card and T-Card Analysis. Tracee Shields, Auditor III, provided the P-Card and T-Card Analysis reports for the months of January – April and May – August. The analyses are performed three (3) times a year utilizing the IDEA software. The overall total spending, per analysis, including the departments with the top spending, top five (5) merchant codes used, and the top

five (5) vendors used during the period of the review, was discussed. Commissioner Morris asked what type of services were provided from the listed vendors. It was explained that office supplies were the major purchases from the listed vendors.

Philip Hurd, Audit Committee Citizen Member, inquired if declined transactions are reviewed during the analyses. It was communicated that currently declined transactions are not being reviewed; however, will be reviewed in subsequent analyses.

Tracee Shields, Auditor III, also explained that the transactions are obtained from the Bank of America system and exported into the IDEA software for analyses. The transactions are evaluated for suspicious activities including weekend transactions and departments with multiple cards. Additional supporting documentation is requested from user departments, on an as needed basis. Philip Hurd, Audit Committee Citizen Member, inquired if an analysis is being conducted on shipping charges during the holidays, comparing employee addresses to shipped addresses. It was communicated that this type of analysis is not currently performed; however, this type of analysis will be reviewed during subsequent analyses.

Stacy Jones, Assistant Audit Manager, continued with the audit updates.

Senior Multipurpose Cash Management Follow-Up Audit

The Senior Multipurpose Cash Management Follow-up report was completed and the management responses were received. The final report is expected to be released on December 12, 2018.

Purchasing Card Follow-Up Audit

The Purchasing Card Follow-up Audit, draft report is currently being reviewed. Upon approval of the draft report, an exit conference will be scheduled. The final audit report with management responses is scheduled to be released by December 20, 2018.

Clerk of the Magistrate Court Audit

The draft report for the Clerk of the Magistrate Court Cash Audit is currently being reviewed. Upon approval of the draft report, an exit conference will be scheduled. The final audit report with management responses is scheduled to be released by December 20, 2018.

A discussion was held surrounding whether any repeat findings were discovered during the course of the Court audit and it was communicated that the Odyssey system is not utilized for reporting purposes, however bank reconciliations are completed and up to date as of October 2018. The audit team will routinely monitor whether the department is continuing to utilize Odyssey and is up to date on their bank reconciliations.

Senior Transportation Performance Audit

The fieldwork has commenced for the Senior Transportation Performance Audit. The objective of the audit is to ensure that the Department is in compliance with the County, Federal, and State requirements for the Senior Transportation program.

Superior Court Cash Handling Procedures Audit

An audit notification letter was sent to the District Court Administrator. The objectives of the audit are to assess the operation of the Superior Court Administration Fiscal Services Division, evaluate cash management procedures and ensure proper internal controls exist. An entrance conference is scheduled for December 13, 2018 and we also expect to begin the fieldwork stage of the audit.

Tax Appraisal Audit

We received a request from Commissioner Morris to perform an audit of the Commercial Tax Appraisal reports. We are currently in the process of preparing for an entrance conference and requesting supporting documentation from the Office of the Tax Assessors.

It was discussed that the Tax Assessor audit request was prompted when a property taxpayer conducted an analysis; which, revealed there were discrepancies between the assessed and taxed values. This issue was communicated to Richard Belcher, (WSB) who then conducted their own analysis; which, revealed similar discrepancies. Anthony Nicks, County Auditor, communicated that the audit team will seek information from WSB in order to evaluate these identified discrepancies along with a separate transactional analysis.

Title VI

Trina Alston, Title VI Coordinator, communicated that all site visits are completed and the final two (2) Title VI reports will be released by December 31, 2018. As of November 30, 2018, the language line has received three hundred and sixty-four (364) calls since inception, May 8, 2018. The top departments utilizing the language line are Public Health and the Sheriff Departments.

Risk Assessment

Robbie Bishop-Monroe, Audit Coordinator, and Anthony Nicks, County Auditor provided an update related to the risk assessment. The first risk assessment was conducted and those results were analyzed and entered into TeamMate to develop risk factors for the respective department. An electronic survey was distributed from TeamMate to the Department of Real Estate and Asset Management (DREAM). After the DREAM department's risk assessment is analyzed, subsequent risk assessment questionnaires will be distributed to multiple departments.

Other Business

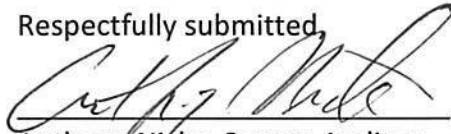
It was communicated that the audit department will provide an audit work plan to the audit committee before the next meeting. Some areas that may be addressed on next year's audit plan

include Personnel Onboarding Process, Jail Medical and Food Contract, Airport, Library Construction Project, and any areas that may be of concern by the Commissioners.

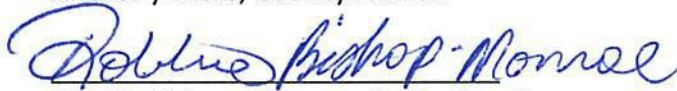
ADJOURNMENT

There being no further business, a motion was made by Commissioner Ellis to adjourn and the meeting adjourned at 2:46 p.m.

Respectfully submitted,



Anthony Nicks, County Auditor



Robbie Bishop-Monroe, Audit Coordinator