Audit Committee Meeting
Minutes for Tuesday, June 14, 2022 at 8:30 AM
Evans Government Center Auditorium, Evans, Georgia

Present at the meeting included:

Connie M. Melear, Chairman
Donald Skinner, Sr., Vice Chairman
Gary L. Richardson, Member
Douglas R. Duncan, Jr., Member
Deputy County Manager Matt Schlachter
County Clerk Patrice R. Crawley

Commissioner Dewey G. Galeas was not present.

Division Directors:
Leanne Reece - Internal Services
John Luton – Community & Leisure Services
Kyle Titus - Engineering Services
Scott Sterling - Planning Services
Michael Blanchard - Technology Services
Paul Scarbary – Development Services
County Staff

Members of the Media and Public

A. CALL TO ORDER
Chairman Melear called the meeting to order at 8:30 a.m.

B. INVOCATION
Chairman Melear gave the invocation.

C. PLEDGE OF ALLEGIANCE
Chairman Melear led the Pledge of Allegiance to the flag.

D. ROLL CALL / QUORUM
Chairman Melear declared a quorum with four members present.

E. APPROVAL OF THE MINUTES OF PREVIOUS MEETING

(E1) March 08, 2022
Member Richardson made a motion to approve the minutes from the March 08, 2022 Audit Committee meeting. Vice Chairman Skinner seconded the motion. The motion carried unanimously.

F. APPROVAL OF THE AGENDA
Chairman Melear presented the agenda.

G. DEBATE AGENDA

(G1) New Business

(G1a) Management Services

(G1a1) Draft Reports
John Snider from Serotta Maddocks Evans & Company presented the committee with the following draft reports: Lodging Tax, Alcohol Licensing and Occupational Tax, and GIS department.

Each of the draft reports are attached to the minutes.

(G1a2) Internal Audit Update
Mr. Snider stated that audits have started or are due for Clerk of Court, Information Technology,

Procurement, Street Light Fund, and Broadband.

H. COMMISSIONERS' AND PUBLIC COMMENTS AND PARTICIPATION

I. EXECUTIVE SESSION

J. ADJOURNMENT

Chairman Melear adjourned the meeting at 8:45 a.m.

Signature on File	Signature on File
Connie M. Melear, Chairman	Patrice R. Crawley, County Clerk

COLUMBIA COUNTY, GEORGIA
LODGING TAX INTERNAL AUDIT
OF SELECTED HOTELS/MOTELS

TABLE OF CONTENTS

Michelle Bennett, CPA
Rick L. Evans, CPA
E.J. Maddocks, CPA
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Abram J. Serotta, CPA
Joel R. Stewart, CPA
Andrea Usry, CPA
David Ussery, CPA
Paul Wade, CPA

Members of Audit Committee
Board of Commissioners
Columbia County
Evans, Georgia

We have performed consulting services for Columbia County (the "County") relating to the submission of the lodging tax forms to the County from various Columbia County hotels/motels. Columbia County's management is responsible for the County's accounting records. The evaluation procedures were those approved by the County.

The sufficiency of these procedures is solely the responsibility of the Audit Committee and management of the County. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

Our procedures, results, and recommendations are outlined throughout this report.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial statements, or an element of the financial statements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Audit Committee and management of the County and should not be used by anyone other than the specified parties.

We would be pleased to review these and any other matters further with you.

Serotta Maddocks Evans & Co.
SEROTTA MADDOCKS EVANS & CO., CPAs

Augusta, Georgia
June 14, 2022

INTERNAL AUDIT OBJECTIVES

Our internal audit objectives were designed to:

- Obtain knowledge of the current Georgia law for the lodging tax O.C.G.A. §48-13-51 and any related County ordinances.
- Agree amounts reported on the County lodging tax forms submitted to the County to the amount recorded in the County's general ledger.
- Determine that gross sales, exempt sales, and taxable sales from the lodging tax forms submitted to the County agree to the gross sales, exempt sales and taxable sales listed on the sales tax forms submitted to the State of Georgia.
- Determine that gross sales, exempt sales, and taxable sales from the lodging tax forms submitted to the County agree to the gross sales, exempt sales and taxable sales listed on activity report provided by the Hotel.
- Recalculate amounts reported on the lodging tax forms submitted to the County to ensure the forms were properly completed.
- Determine if the five percent lodging tax was collected by the hotels and remitted to the County in accordance with County ordinances.
- Determine if the lodging tax forms were submitted by the 20th of each month.
- Observe the lodging tax form used to ensure the latest edition is being used by each hotel/motel.
- Make recommendations to the County and hotel/motel operators based upon our analysis.

SCOPE

Our internal audit scope was limited to the time period of August 1, 2021 to October 31, 2021. All selections were made within this time period.

BACKGROUND AND TESTING

The County is authorized under state law to audit the books and records of the hotels/motels in order to determine that the appropriate amount of lodging tax has been charged and remitted to the County.

The following hotels/motels were selected for testing:

- Guru Hotels d/b/a Holiday Inn West
- Imperial Hospitality, LLC d/b/a Days Inn & Suites
- NorthStar Hospitality, LLC d/b/a Comfort Inn & Suites
- Shree Annpurna, Inc. d/b/a Super 8

We obtained a copy of the lodging tax spreadsheet that is maintained on a monthly basis by the County's Finance Department. We requested from the County's Finance Department copies of the lodging tax forms submitted by the hotels. We requested the hotels provide monthly sales reports, monthly sales tax forms remitted to the State of Georgia, and any sales tax audit findings as a result of state sales tax audits that were conducted during the period from August 1, 2021 to October 31, 2021.

We agreed amounts reported on the lodging tax forms submitted to the amounts recorded on the County's spreadsheet which agrees to the County's general ledger. We determined if gross sales, exempt sales, and taxable sales from the lodging tax forms submitted to the County agreed to the gross sales, exempt sales, and taxable sales listed on the sales tax forms submitted to the State of Georgia and the hotels' monthly sales reports. We recalculated the lodging tax forms submitted to the County to ensure the forms were properly completed. We determined if the five percent lodging tax was collected by the hotels and remitted to the County in accordance with County ordinances. We determined if the lodging tax forms were submitted by the 20th of each month. We observed the lodging tax form used to ensure the latest edition is being used by each hotel/motel.

RESULTS

We noted the following for each hotel:

- Gross sales reported on the Sales Tax form remitted to the State of Georgia did not agree to the gross sales on the County lodging tax form and the Hotel Statistics Report for Holiday Inn West. On average, the monthly variance was $992.
- Exempt sales reported on the Sales Tax form remitted to the State of Georgia did not agree to the exempt sales on the County lodging tax form and the Hotel Statistics Report for Holiday Inn West, Days Inn & Suites, and Super 8. This is due, at least in part, to food sales being included in the exempt sales reported to the State of Georgia in addition to room sales. Exempt sales per all three sources did agree for the Comfort Inn & Suites. On average, the variance was $383.
- Taxable sales reported on the Sales Tax form remitted to the State of Georgia did not agree to the taxable sales on the County lodging tax form and the Hotel Statistics Report for Holiday Inn West, Days Inn & Suites, and Super 8. This is due, at least in part, to food sales being included in the taxable sales reported to the State of Georgia in addition to room sales. Taxable sales per all three sources did agree for the Comfort Inn & Suites. On average, the variance was $701.
- The amount of taxes collected per the monthly statistical report did not agree to the amount remitted to the County and to the State for any of the hotels examined. On average, the hotels remitted $130 more than collected during the months tested.
- The five percent lodging tax was collected and remitted by the selected hotels to Columbia County, all forms were submitted timely, and the correct form was submitted for all months.

For the four hotels analyzed during the months of August, September, and October of 2021, we noted the following:

- Total gross sales reported to the County - $1,492,198
- Exemptions claimed - $397,000
- Lodging taxes remitted - $53,117

BACKGROUND, TESTING AND RESULTS

Guru Hotels d/b/a Holiday Inn West was subjected to testing and we noted the following:

Sales	Per County Excise Tax Return	Per State Sales and Use Return	Per the Hotel's Internal Reporting
Gross Sales			
August 2021	$ 304,532.72	$ 305,250.72	$ 304,532.72
September 2021	278,057.04	278,660.04	278,057.04
October 2021	249,174.93	250,830.43	249,174.93
Exempt Sales			
August 2021	177,216.65	177,012.65	177,216.65
September 2021	76,254.65	76,560.65	76,254.65
October 2021	89,094.91	90,012.91	89,094.91
Taxable Sales			
August 2021	127,316.07	128,238.07	127,316.07
September 2021	201,802.39	202,099.39	201,802.39
October 2021	160,080.02	160,817.52	160,080.02

Excise Taxes	State and Local Taxes Collected	State and Local Taxes Remitted (plus vendor compensation) *	Difference
August 2021	$ 16,789.82	$ 16,732.30	$ (57.52)
September 2021	26,279.94	26,270.78	(9.16)
October 2021	20,946.09	20,911.09	(35.00)

*Vendor compensation is 3% of the tax due to the County. That amount is added back for the purpose of this analysis.

Imperial Hospitality d/b/a Days Inn & Suites was subjected to testing and we noted the following:

Sales	Per County Excise Tax Return	Per State Sales and Use Return	Per the Hotel's Internal Reporting
Gross Sales			
August 2021	$ 104,600.00	$ 104,600.00	$ 104,600.00
September 2021	91,964.31	91,964.31	91,964.31
October 2021	89,210.62	89,210.62	89,210.62
Exempt Sales			
August 2021	14,417.85	12,531.85	14,417.85
September 2021	12,879.20	10,169.20	12,879.20
October 2021	13,063.27	10,129.27	13,063.27
Taxable Sales			
August 2021	90,182.15	92,068.15	90,182.15
September 2021	79,085.11	81,795.11	79,085.11
October 2021	76,147.35	79,081.35	76,147.35

Imperial Hospitality d/b/a Days Inn & Suites (continued)

Excise Taxes	State and Local Taxes Collected	State and Local Taxes Remitted (plus vendor compensation) *	Difference
August 2021	$ 11,874.78	$ 11,874.56	$ (.22)
September 2021	10,491.48	10,497.86	6.38
October 2021	10,141.34	10,161.81	20.47

*Vendor compensation is 3% of the tax due to the County. That amount is added back for the purpose of this analysis.

Northstar Hospitality d/b/a Comfort Inn & Suites was subjected to testing and we noted the following:

Sales	Per County Excise Tax Return	Per State Sales and Use Return	Per the Hotel's Internal Reporting
Gross Sales			
August 2021	$ 107,259.85	$ 107,259.85	$ 107,259.85
September 2021	106,348.79	106,348.79	106,348.79
October 2021	105,038.67	105,038.67	105,038.67
Exempt Sales			
August 2021	2,520.81	2,520.81	2,520.81
September 2021	4,172.26	4,172.26	4,172.26
October 2021	7,380.46	7,380.46	7,380.46
Taxable Sales			
August 2021	104,739.04	104,739.04	104,739.04
September 2021	102,176.53	102,176.53	102,176.53
October 2021	97,658.21	97,658.21	97,658.21

Excise Taxes	State and Local Taxes Collected	State and Local Taxes Remitted (plus vendor compensation) *	Difference
August 2021	$ 13,467.05	$ 13,732.98	$ 265.93
September 2021	12,785.99	13,398.82	612.83
October 2021	12,468.56	12,809.63	341.07

*Vendor compensation is 3% of the tax due to the County. That amount is added back for the purpose of this analysis.

Shree Annpurna, Inc. d/b/a Super 8 was subjected to testing and we noted the following:

Sales	Per County Excise Tax Return	Per State Sales and Use Return	Per the Hotel's Internal Reporting
Gross Sales			
August 2021	$ 13,449.87	$ 13,449.87	$ 14,520.92
September 2021	21,864.92	21,864.92	21,864.92
October 2021	20,696.00	20,696.00	20,696.00
Exempt Sales			
August 2021	-	-	-
September 2021	-	-	-
October 2021	-	-	-
Taxable Sales			
August 2021	13,449.87	13,449.87	14,520.92
September 2021	21,864.92	21,864.92	21,864.92
October 2021	20,696.00	20,696.00	20,696.00

Excise Taxes	State and Local Taxes Collected	State and Local Taxes Remitted (plus vendor compensation) *	Difference
August 2021	$ 1,580.42	$ 1,748.48	$ 168.06
September 2021	2,718.75	2,842.44	123.69
October 2021	2,562.80	2,690.48	127.68

*Vendor compensation is 3% of the tax due to the County. That amount is added back for the purpose of this analysis.

OTHER COMMENTS

We have prepared a letter of results and recommendations to the hotel owner for each of the hotels/motels that were observed. We presented these reports to the hotel/motel owners as part of this internal audit project.

COLUMBIA COUNTY, GEORGIA
LICENSING DEPARTMENT
INTERNAL AUDIT

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Paul Wade, CPA

Members of Audit Committee
Board of Commissioners
Columbia County
Evans, Georgia

We have performed consulting services for Columbia County (the "County") relating to the evaluation of certain internal controls and operating procedures of the Licensing Department's collection of funds for alcohol license fees and occupational taxes, and compliance with the County Ordinance requirements for the issuance of licenses for wholesale and retail sales of alcoholic beverages. The County's management is responsible for the department's accounting records, internal controls and operating procedures. The evaluation procedures were those approved by the County. Our analysis and report do not include evaluating all internal controls over the Department.

The sufficiency of these procedures is solely the responsibility of the Audit Committee and management of the County. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

Our procedures, results, and recommendations are outlined throughout this report.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the financial statements or an element of a financial statement. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Audit Committee and management of the County and should not be used by anyone other than the specified parties.

We would be pleased to review these and any other matters further with you.

Serotta Maddocks Evans & Co.
SEROTTA MADDOCKS EVANS & CO., CPA'S

Augusta, Georgia
June 14, 2022

AUDIT OBJECTIVES

Our audit objectives were designed to:

- Obtain an understanding of the County's internal control system of the Licensing Department relating to the occupational tax and alcohol license fee collection and recording, the compliance with the licensing process requirements, and adherence to policies and procedures.
- Design and execute tests of the policies and procedures throughout the various functional areas of the Licensing Department such as the occupational tax application compliance with regulations, new and renewal alcohol license application compliance with regulations, deposits of occupational taxes, and deposits of alcohol license fees.
- Determine if there are adequate controls to provide reasonable assurance that the County's assets are being properly safeguarded, and errors or irregularities in the licensing process can be prevented or can be detected in a timely manner.
- Make recommendations to the County based upon our understanding of the internal control system and as a result of our testing of those internal controls.

SCOPE

Our audit scope was limited to the Licensing Department and internal controls relating to the occupational tax and alcohol license fee collection and recording, compliance with licensing process requirements, and adherence to policies and procedures. The internal audit focused primarily on July 1, 2021 through March 2022; but certain analyses may have been performed outside of that time period. The specific scopes and time frames of testing are stated within the procedures and results section of this report, as identified in the table of contents.

The Licensing Department is a customer-service oriented department that assists applicants who desire to submit occupational tax and apply for or renew alcohol licenses. The department reviews all applications submitted and obtains the additional information required by the County ordinance. Our testing focused on the following areas:

- Occupational tax and alcohol licensing associated revenues and invoicing
- Compliance with the requirements of the regulations and application requirements over the occupational tax
- Compliance with regulation requirements over alcohol licensing

METHODOLOGY

Our audit methodology included the identification, evaluation and testing of internal controls as they relate to the areas identified in the scope above. General internal audit procedures included:

- Interviewing Licensing Department personnel.
- Observing operations and conducting walk-through interviews.
- Testing documentations such as receipts, deposits, general ledger entries and data, license applications, and any other applicable data.

Change Fund Cash
- We noted no exceptions.

Deposit Testing
- We noted no exceptions.

Occupational tax Application and Annual Renewal
- We noted one new applicant overpaid the application fee.
- We noted no exceptions for occupational license renewals.

Alcohol License Application and Annual Renewal
- We noted no exceptions.

Purchase Requisitions
- We noted no exceptions.

Purchase Card Transactions
- We noted no exceptions.

Timesheets
- We noted no exceptions.

Change Fund Cash

Background and Procedures

The manager and customer service representative of the Licensing Department each maintain a change fund for receiving cash payments. These funds are to be maintained at $150. At the end of each day, the clerk is required to remit cash payments received and reduce their cash on hand back to the required $150. Also, at the end of each day, management and clerk are required to submit a count sheet when they remit their cash.

Testing

We performed cash counts with the Licensing Department manager and customer service rep on March 23, 2022.

Results

We noted no exceptions in the change fund cash count.

Deposit Testing

Background and Procedures

The Licensing Department collects all occupational and alcohol related fees and taxes for the Development Services Division. These transactions are processed by the department’s clerk in the front office of the Development Services Division. Most funds collected are in the form of checks. The Department has the capability to accept all forms of payment: cash, checks, debit cards, and credit cards. Cash receipts are kept in a locked cabinet located in Development Services Division until they are taken to the Finance Department. The Finance Department deposits funds into the bank account. Each clerk has a separate register linked to Munis that is activated by logging onto the system with a unique username and password.

Testing

We obtained the general ledger detail of the revenues associated with the alcohol licenses and occupational taxes for the period March 1, 2021 to February 28, 2022 and selected fifteen daily entries for testing. For each selection, we agreed the validated deposit slip to the general ledger and transmittal report approved by the Finance Department, reviewed each cashier's balancing report against funds collected by each cashier for any discrepancies, and totaled all cashiers' funds collected and agreed that amount to the amount sent to the Finance Department and signed off by the Finance Department.

Results

We noted no exceptions during out testing.

Occupational tax Application and Annual Renewal

Background and Procedures

Occupational tax is a tax levied on persons, partnerships, corporations, or other entities for engaging in an occupation, profession, or business which has been enacted by the County as a revenue-raising ordinance or resolution. Each business and practitioner of professions and occupations with one or more offices located within the County shall pay an occupational tax. Each location within the County is to be considered a separate business. If a business operates in more than one County in the state, occupational tax will only be paid in the county where the largest volume of business is performed. The tax amount is based on the number of full-time equivalent employees of the business. Certain businesses are excluded. When any person commences business on or after July 1 in any calendar year, the occupational tax is fifty percent of the tax imposed for the entire year. An application is completed by all business owners for occupational tax. The business name, address, owner, tax identification number, incorporation status, the greatest number of employees anticipated for the year, and the corresponding tax amount are required on the application. It is the business owner's responsibility to notify the County of any changes in the business.

Testing

New business applicants' compliance with occupational tax ordinance

We obtained a listing of newly issued occupational tax applicants and selected fifteen new business applicants who submitted applications under the occupational tax and ordinance requirement. We reviewed the applications submitted to determine all required documentation was included. We reviewed the payment information to determine the amounts paid agreed to the County fee schedule for number of employees listed on the applications and the payments were made within the required time frame in the appropriate form. We traced the payments tested to proper inclusion on the day's deposit, approved transmittal report, and general ledger. We traced the related deposit to the validated deposit slips. We reviewed each cashier's balancing report against the funds collected by each cashier, and we agreed the total funds collected to the amount received by the Finance Department.

Existing business renewal applicants' compliance with occupational tax ordinance

We tested fifteen existing business applicants who submitted renewal applications under the occupational tax ordinance requirement. We reviewed the applications submitted to determine all required documentation was included. We reviewed the payment information to determine the amounts paid agreed to the County fee schedule for number of employees listed on the applications and the payments were made within the required time frame in the appropriate form. We traced the payments tested to proper inclusion on the day's deposit, approved distribution report, and general ledger. We traced the related deposit to the validated deposit slip. We reviewed each cashier's balancing report against the funds collected by each cashier, and we agreed the total funds collected to the amount received by the Finance Department.

Results

For the new applicant testing, we noted one exception. The applicant paid the full $100 occupational fee, however, they applied in November and should have only paid half.

Recommendation
We recommend that all fees for businesses starting after June 30 be double checked to determine they are half of the yearly fee.

Management Response
The software we use for these transactions should have automatically prorated the fee. I have not found a reason why it did not prorate for this transaction. Payments received in the second half of the year will be reviewed to determine the amount was prorated.

Alcohol License Application and Annual Renewal

Background and Procedures
A local license is required for wholesale or retail sales of alcoholic beverages. Separate applications and licenses are required for each sales location. The application must be completed and submitted to the Licensing Department. The ordinance requires certain supplemental information to be included with the application. The supplemental information varies based on the type of alcohol license sought, and the type and size of the establishment seeking the license. The supplemental information determines if the applicant and the location qualify for a license, and if the amount submitted for the license fee is correct. An administrative fee, an investigative fee, and a license fee are required to be submitted with new applications as well as renewal applications. Licenses are issued on a calendar year basis and must be renewed annually. The license fee may be pro-rated during the initial year of license. After the application required supplemental information and fees are collected, the applications are presented to the County Board of Commissioners for approval. When the license application is approved, the license is printed in the Licensing and Permits Department and mailed to the applicant.

Testing
We tested six new applicants and ten renewal applicants who submitted applications under the alcohol licenses ordinance requirement. We reviewed the applications submitted to determine the applications were complete, all applicable required supplemental documentation was included, and the applicants and locations met the requirements of the ordinance. We traced each license to documentation of the Board of Commissioners' approval. We reviewed the payment information to determine the amounts paid agreed to the County fee schedule for the corresponding type of license and type of establishment on the applications and the payments were made within the required time frame in the appropriate form. We traced the payments tested to proper inclusion on the day's deposit, approved distribution report, and general ledger. We traced the related deposit to the validated deposit slip. We reviewed each cashier's balancing report against funds collected by each cashier, and we agreed the total funds collected to the amount received by the Finance Department.

Results
We noted no exceptions to new or renewal alcohol license applications.

Purchase Requisitions

Background and Procedures

When supplies, materials, subcontractor services or equipment is needed, the Licensing and Permits Department orders them. When the invoice arrives, the invoice is signed off and coded by the Licensing and Permits Manager and is sent to the Finance Department to be entered into Munis per standard County policies.

Purchases up to $2,000 ($5,000 after September 2021) are allowed by employees authorized to purchase goods and services on behalf of the County. Invoices for these purchases require the approval signature of the employee's supervisor. Purchases between $2,000 ($5,000 after September 2021) and $20,000 ($25,000 after September 2021) require a quote sheet with three to five price quotations attached. Purchases over $20,000 ($25,000 after September 2021) require a request for proposal (RFP)/bid and are processed through the Procurement Department. Subsequent to September 2021, purchases equal to $25,000 but less than $50,000 may be made in the open market without regard for formal solicitation, using a competitive sealed quotation process, subject to and upon compliance with certain provisions. Most notably, the items to be purchased must be items included as line items in the budget adopted by the Board of Commissioners.

There are tiers established within Munis for the approval of purchase requisitions. The signature process is performed electronically in Munis. Each person must approve the purchase requisition before it can be converted into a purchase order by the Procurement Department.

We noted the department did not process any purchase requisitions and had no departmental expenses greater than $5,000 during the period under audit.

Purchase Card Transactions

Background and Procedures

The County has a purchase card program which is used to eliminate the need for small dollar purchase requisitions. The purchase card program utilizes the same dollar thresholds as the purchase requisition/order system along with the same approval process. Purchase card transaction records are maintained electronically by Elan, a third-party payment processor. On a daily basis, the Procurement Department downloads a transaction record from Elan's website and imports the records into Munis. The expenses are initially recorded in Munis as uncategorized and maintained in a temporary holding account on the general ledger. When the transactions are imported into Munis, a designated individual within each department receives a notification that new transactions were entered that require coding and approval. At this point, the designated coders upload the receipts for each transaction and enter a line code corresponding with the nature of the expenditure. Once the receipts have been uploaded and all expenditures have been coded, the statement is released for approval by the cardholder's supervisor within Munis. On a biweekly basis, the Finance Department reconciles the charges back to a billing cycle statement provided by Elan and notifies the departments if there are any uncoded or unapproved transactions. Once all coded and approved charges have been reconciled to the statement, the purchase card transactions are posted to the general ledger as expenditures by the Finance Department Manager.

Testing
We obtained a list of all purchase card transactions made by the Licensing Department employees for the months of December 2021, January 2022, and February 2022. We confirmed that the original receipts for each expenditure were uploaded to Munis, verified that the expenditures were for County use, noted proper approval by the cardholder's supervisor, and verified County procurement policies related to written quotes and bids were followed (if applicable).

Results
We noted no exceptions in our testing of the purchase card transactions.

Timesheets

Background and Procedures
The Licensing Department uses the standard County timesheets which are completed by the employee. The Department Manager signs off on employee timesheets of the Licensing Department and the Development Services Director signs off next. Once the supervisors approve all timesheets, they are forwarded to the Finance Department for entry into Munis. The Licensing Department Manager is a salaried employee. The clerk is an hourly employee.

Testing
We obtained the timesheets (if applicable) for all Licensing and Permits Department employees for payroll periods ending June 19, 2021 and September 25, 2021 from the Finance Department along with a copy of the payroll register. The payroll register is created from the timesheets. We agreed the number of hours per the timesheet to the payroll register. We compared the payroll register to the direct deposit report or cancelled check to verify that the employee was paid the amount that was calculated from the hours on the timesheet.

Results
We noted no exceptions in our testing and observation of the internal control procedures identified by management.

COLUMBIA COUNTY, GEORGIA
GEOGRAPHIC INFORMATION
SYSTEMS DEPARTMENT
INTERNAL AUDIT

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Paul Wade, CPA

sme cpa

Members of Audit Committee
Board of Commissioners
Columbia County
Evans, Georgia

We have performed consulting services for Columbia County (the "County") relating to the evaluation of certain internal controls and operating procedures of the Geographic Information Systems (GIS) Department's general operating policies and procedures. Columbia County's management is responsible for the Department's internal controls and operating procedures. The evaluation procedures were those approved by the County. Our analysis and report do not include evaluating all internal controls over the Geographic Information Systems Department.

The sufficiency of these procedures is solely the responsibility of the Audit Committee and management of the County. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

Our procedures, testing, and results are outlined throughout this report.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion, on the financial statements, or an element of a financial statement. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Audit Committee and management of the County and should not be used by anyone other than the specified parties.

We would be pleased to review these and any other matters further with you.

Serotta Maddocks Evans & Co.

SEROTTA MADDOCKS EVANS & CO., CPAS

Augusta, Georgia
June 14, 2022

INTERNAL AUDIT OBJECTIVES

Our internal audit objectives were designed to:

- Obtain an understanding of the County's internal control system for the Geographic Information Systems Department relating to the adherence of its own departmental policies and procedures along with County-wide policies and procedures.
- Design and execute tests of the policies and procedures for the Geographic Information Systems Department.
- Determine if there are adequate controls to provide reasonable assurance that the County's assets are being properly safeguarded and errors or irregularities can be prevented or can be detected in a timely manner.
- Make recommendations to the County based upon our understanding of the internal control system and as a result of our testing of those internal controls.

SCOPE

Our internal audit scope was limited to the Geographic Information Systems Department and internal controls relating to the adherence to policies and procedures. The internal audit focused primarily on the period January 1, 2021 to March 31, 2022, but certain analyses were performed outside of this period. Specific scopes and time frames of testing are stated within the procedures and results section of this report, as identified in the table of contents.

The main function of the Geographic Information Systems Department is to ensure that Geographic Information Systems information, in map and digital form, is accurate and made available in a timely manner to all persons and organizations who utilize it.

Our testing focused on the following:

- Proper importing of data from the Tax Commissioner's office
- Expenditures including purchase requisitions/orders and purchase card transactions;
- Timesheets for County employees
- Fuelman card use

METHODOLOGY

Our internal audit methodology included the identification, evaluation and testing of internal controls as they relate to the areas identified in the scope above. General internal audit procedures included:

- Interviewing Geographic Information Systems Department personnel;
- Observing operations and conducting walk-through interviews; and
- Testing documentation such as purchase requisitions, purchase orders, purchase card statements, Geographic Information Systems Department employee timesheets, and other applicable data and documentation.

SUMMARY OF INTERNAL AUDIT RESULTS

Data Integrity Testing

- We noted no exceptions.

Purchase Requisitions

- We noted no exceptions.

Purchase Card Transactions

- We noted no exceptions.

Timesheets

- We noted no exceptions.

Fuelman Reports

- We noted no exceptions.

BACKGROUND, PROCEDURES,
TESTING, AND RESULTS

General Overview

The main function of the Geographic Information Systems (GIS) Department is to ensure that GIS information in map and digital form is made available fairly and equitably to all persons or organizations who desire it. Significant responsibilities of the GIS Department include creating, updating, and maintaining accurate street addresses and County utilities for individuals, businesses, and other County departments.

The GIS Department staff is tasked with retrieving GPS data for the County, such as locations and mapping of:

- Manholes
- Storm water drains
- Valves
- Hydrants
- Land uses
- Rezoning
- Water and sewer lines
- Transportation lines

The GIS Department provides hydrant and addressing services to 911 and Fire Departments. GIS also works with the Post Office on street names and addressing; however, the Post Office can only make recommendations to the County. The Board of Commissioners is the authority on street names, and the County is the authority on addressing. Road names are presented to the Management and Internal Services Committee and then the Board of Commissioners.

Cityworks is an asset management software utilized by the County. The GIS Department maintains the Cityworks software and provides application support to multiple other departments in addition to support for internal GIS projects. Cityworks provides the ability to attach work orders to assets such as water mains and culverts. Also, the software provides a historical overview of the testing and repairs associated with a specific asset.

Data Integrity Testing

Background and Procedures
Every morning, the GIS Department gets a CSV file containing updated information from the Tax Commissioner's Office. This CSV file is handled using SQL and then uploaded to mapsonline.columbiacountyga.gov. It is important for the information in this update to be properly entered into the website daily so that public users have current information.

Testing
On March 31, 2022, SME obtained the Tax Commissioner's CSV file from the GIS Department before it had been processed to be uploaded to mapsonline.columbiacountyga.gov. We used this version of the file to verify that no errors had been made in the uploading process. We selected ten addresses from the file, and verified the following items agreed between the CSV and mapsonline.columbiacountyga.gov:

1. Parcel ID
2. Neighborhood Code
3. Legal Description 1
4. Legal Description 2
5. Legal Description 3
6. Land APV Value
7. Improvement APV Value
8. Total Value
9. Owner1
10. Owner2
11. Mailing Address1
12. Mailing City
13. Mailing State
14. Mailing Zip
15. Year Built
16. Improvement Description
17. Total Buildings
18. Total Finished Area
19. Number Beds
20. Number Baths
21. Pool
22. Property Use
23. Lot Description
24. Acre Quantity
25. Last Sale Date
26. Deed Book
27. Deed Page
28. Deed Year
29. Sale Amount
30. Sale Instrument
31. Plat Book
32. Plat Page
33. Physical Address Number
34. Physical Address
35. Street Light Amount

Results
For all 10 addresses, each of the 35 data points agreed, for a total of 350 data points tested without exception.

Purchase Requisitions

Background and Procedures
All purchases are approved by the Chief Appraiser or Deputy Chief Appraiser before being entered into Munis by the Financial Specialist. All checks for purchase requisitions are cut by the Finance Department of the County.

Purchases up to $2,000 ($5,000 after September 2021) are allowed by employees authorized to purchase goods and services on behalf of the County. Invoices for these purchases require the approval signature of the employee's supervisor. Purchases between $2,000 ($5,000 after September 2021) and $20,000 ($25,000 after September 2021) require a quote sheet with three to five price quotations attached. Purchases over $20,000 ($25,000 after September 2021) require a request for proposal (RFP)/bid and are processed through the Procurement Department. Subsequent to September 2021, purchases equal to $25,000 but less than $50,000 may be made in the open market without regard for formal solicitation, using a competitive sealed quotation process, subject to and upon compliance with certain provisions. Most notably, the items to be purchased must be items included as line items in the budget adopted by the Board of Commissioners.

There are tiers established within Munis for the approval of purchase requisitions. The signature process is performed electronically in Munis. Each person must approve the purchase requisition before it can be converted into a purchase order by the Procurement Department.

Testing
We selected all purchase orders from the purchase order inquiry within Munis for the time period of January 1, 2021 through November 30, 2021. We examined the related purchase requisitions and purchase orders for proper approval. We verified that the payment amounts matched the payments due on the invoices. We verified the cancelled checks for proper amount and payee.

Results
We noted no exceptions to the items selected for testing.

Purchase Card Transactions

Background and Procedures

The County has a purchase card program which is used to eliminate the need for small dollar purchase requisitions. The purchase card program utilizes the same dollar thresholds as the purchase requisition/order system along with the same approval process.

Purchase card transaction records are maintained electronically by Elan, a third-party payment processor. Every day, the Procurement Department will download a transaction record from Elan's website and import the records into Munis. The expenses are initially recorded in Munis as uncategorized and maintained in a temporary holding account on the general ledger. When the transactions are imported into Munis, a designated individual within each department will receive a notification that new transactions were entered that require coding and approval. At this point, the designated coders upload the receipts for each transaction and enter a line code corresponding with the nature of the expenditure. Once the receipts have been uploaded and all expenditures have been coded, the statement is released for approval by the cardholder's supervisor within Munis. On a biweekly basis, the Finance Department reconciles the charges back to a billing cycle statement provided by Elan and notifies the departments if there are any uncoded or unapproved transactions. Once all coded and approved charges have been reconciled to the statement, the purchase card transactions are posted to the general ledger as expenditures by the Finance Department Manager.

Testing

We obtained a listing of all Department employees with a purchase card from the Finance Department. We viewed the January 2021 and September 2021 support in Munis at the Finance Department. We observed the original receipts scanned into Munis and proper approval. We determined the charges were for County use. We further observed the coding was appropriate in Munis.

Results

We noted no exceptions to the items selected for testing.

Timesheets

Background and Procedures

There are four full-time exempt employees. All other personnel are hourly employees (non-exempt). The Department uses the county-wide timesheet to record time. Timesheets of non-exempt employees are approved and then keyed into Munis for processing. There are no on-call employees for Department.

Once all timesheets are approved, the Department gathers the timesheets, inputs time off into Munis, and sends copies of the timesheet to the Finance Department

Testing

We obtained timesheets for the payroll periods ending February 13, 2021 and October 23, 2021 from the Finance Department along with a copy of the payroll register. The payroll register is created from the timesheets. We verified that the proper number of hours was used to compute payroll during the pay period. We compared the payroll register to the direct deposit report or cancelled check to verify that the employee was paid the amount that was calculated from the hours on the timesheet.

Results

We noted no exceptions in our testing.

Fuelman Reports

Background and Procedures

The County keeps a Fuelman card for each County vehicle. When a vehicle needs gas, the employee swipes the Fuelman card at the pump. This prompts the employee to enter his/her PIN and the odometer reading for the vehicle. The employee can pump gas after these two pieces of data have been entered. This information allows the Fleet Services Department to know the odometer readings for each vehicle, miles per gallon for each vehicle, and which County employees are using which County vehicles.

Testing

To test the data, we obtained Fuelman reports for the months of January 2022 and February 2022 as well as the beginning of March 2022 from the Fleet Department. We analyzed all transactions for the GIS Department for that period. For each transaction, we verified that:

- The odometer entry appeared reasonable.
- The miles per gallon was not unreasonably low for the vehicle type
- The miles per gallon was not unreasonably low compared to other fill-ups.

Results

We noted no exceptions in our testing.