Audit Committee Meeting
Minutes for Tuesday, March 14, 2023 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
Alison G. Couch, Member
County Manager Scott Johnson
Deputy County Manager Glenn Kennedy
Deputy County Manager Matt Schlachter
County Clerk Patrice R. Crawley

Douglas R. Duncan, Jr., Member was not present

Sheriff Clay Whittle
Division Directors:
Leanne Reece - Internal Services
John Luton – Community & Leisure Services
Scott Sterling - Planning Services
Michael Blanchard - Technology Services
Paul Scarbary – Development Services
Chief Jeremy Wallen – Fire 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) December 13, 2022
Member Richardson made a motion to approve the minutes from the December 13, 2022 Audit Committee meeting. Member Couch 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: Library System, Parks, Recreation & Events Department and Recycling Center

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 Sheriff's Office, Detention Center, Broadband Utility and Fire Services Fund.

H. COMMISSIONERS' AND PUBLIC COMMENTS AND PARTICIPATION

I. EXECUTIVE SESSION

J. ADJOURNMENT
Chairman Melear adjourned the meeting at 8:42 a.m.

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

COLUMBIA COUNTY, GEORGIA
LIBRARY SYSTEM
INTERNAL AUDIT

TABLE OF CONTENTS

Michelle Bennett, CPA
Rick L. Evans, CPA
E.J. Maddocks, CPA
Jay Sanders, CPA
Wanda F. Scott, CPA
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 evaluation of certain internal controls and operating procedures of the Library System's policies and procedures. Columbia County's management is responsible for the Library System'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 Library System.

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., CPAs

Augusta, Georgia
March 14, 2023

INTERNAL AUDIT OBJECTIVES

Our internal audit objectives were designed to:

- Obtain an understanding of the County's internal control system for the Library System relating to the daily operations and procedures including:
  - Cash deposits and revenue recognition
  - Expenditures and expenditure codification
- Design and execute tests of the policies and procedures for the various areas of the Library System such as collecting fines and fees and providing library services to the community.
- 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 Library System and internal controls relating to the adherence to policies and procedures. The internal audit focused primarily on the period July 1, 2021 to December 31, 2022. Specific scopes and time frames of testing are stated within the body of this report, as identified in the table of contents.

The Library System consists of three branches which provide an extensive collection including but not limited to books, periodicals, books on CD, online databases, electronic book download services, internet access, programs and events for children and adults as well as reference services. The three library branches are:

- The Main Branch, located in Evans
- The Harlem Branch
- The Grovetown Branch

The Main Branch of the Columbia County Library System is also the headquarters for the Greater Clark's Hill Regional Library. In addition to the Columbia County Library System, the Burke County, Lincoln County, and Warren County Library Systems are also members.

Our testing focused on the following areas:

- Collection, deposit, and reconciliation of late fines, copier fees and other miscellaneous revenues;
- Expenditures including purchase requisitions and purchase card transactions;
- Allocation of grant funds to member libraries and tracking of grant fund expenditures; and
- Other operational items such as employee timesheet procedures, bank and merchant card reconciliations, journal entry procedures, and cash handling procedures.

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 Library System personnel;
- Observing operations and conducting walk-through interviews; and
- Testing documentation such as purchase requisitions, purchase orders, purchase card statements, the Library System employee timesheets, general ledger entries and data, MUNIS reports, and other applicable data and documentation.

SUMMARY OF INTERNAL AUDIT RESULTS

- **Deposit Testing**
  - Of the 15 transactions we tested, six deposits of state grants were misclassified in the general ledger. Total amounts were correct, but amounts entered in the general ledger were the amounts from the prior year state grant allotment. After discussing this with the Finance Department, the general ledger was corrected.

- **Purchase Requisitions**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **Purchase Card Transactions**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

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

- **Grant Budget Allocations**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **General Inquiries and Observations**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

BACKGROUND AND PROCEDURES,
TESTING, AND RESULTS

Deposit Testing

Background

The Library System receives funds for late fines and copier/fax machine fees as well as the sale of USB flash drives and ear buds. Additionally, they receive small periodic contributions from various organizations. The administrative assistant prepares the deposit for the Main Branch, and the other branches prepare their own deposits. All funds are deposited to the Library Board Fund. The branches take their deposits to the bank. After the deposit is made, the deposit slips are sent to the Finance Department. All contributions, fines charges and sales are recorded in separate revenue accounts but are deposited in the same bank account. The Library also receives state monies for various grants on a monthly basis. The state electronically deposits these funds directly into the Library's account. The Finance Department compiles the total deposits for each type of receipt at month end, and posts a journal entry to record revenue.

Testing

We obtained the general ledger for the time period of July 1, 2021 through December 31, 2022. From the general ledger, we haphazardly selected 15 deposits for testing, seven from fiscal year 2022 and eight deposits from fiscal year 2023. We tested these selections for the following attributes:

- The journal entry summary (at the Finance Department) agreed to the detailed deposit ledgers maintained by the branches;
- The amount selected from the general ledger agreed to the detailed deposit ledgers maintained by the branches; and
- The validated deposit slips agreed to the detailed deposit ledgers maintained by the library branches and to the bank statement.

Results

Of the 15 transactions we tested, six deposits of state grants were misclassified in the general ledger. Total amounts were correct, but amounts entered in the general ledger were the amounts from the prior year state grant allotment. After discussing this with the Finance Department, the general ledger was corrected

Purchase Requisitions

Background and Procedures

When supplies are needed, the Library System orders them from office supply stores. When the invoice arrives, the invoice is entered into Munis per County standard policies by the Administrative Specialist or the Library System Manager. All purchases up to $4,999 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 $5,000 and $24,999 require a quote sheet with three to five price quotations attached. Purchases over $24,999 require a request for proposal (RFP)/bid and are processed through the Procurement Department.

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 and printed from the system.

Testing
We obtained the purchase order detail from Munis for the time period of July 1, 2021 to December 15, 2022, and made fifteen selections from the detail, with all being from March 2022 to November 2022. 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. We verified that written quotes or bids were solicited and documented when appropriate for the amount of the purchase.

Results
We noted no exceptions to any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

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 listing of the staff members who were issued a purchase card from the Finance Department. We selected five statements from January 2022 to August 2022 and viewed 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 any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

BACKGROUND AND PROCEDURES,
TESTING, AND RESULTS

Timesheets

Background and Procedures

The Library System uses the standard County timesheets, which are completed by each employee. Overtime is minimal and is only authorized (by the Branch Managers) when necessary. Any overtime during a pay period is explained at the bottom of the timesheet. The employees forward their timesheets to the Branch Managers biweekly for approval. Non-exempt employees must complete a timesheet for each payroll cycle; however, exempt employees do not have to complete a timesheet for each payroll cycle. Exempt employees are required to complete a leave request form and have the form approved if any leave is taken. Once the timesheets are approved, including overtime pay, they are forwarded to the Library System Manager for review and the Administrative Assistant inputs the time into Munis. Once all time has been entered into the Munis system, the Administrative Assistant prints out a report from Munis and makes copies of all timesheets. The Munis report and copies of the timesheets are forwarded to the Finance Department.

Non-exempt employees turn in timesheets bi-weekly to their appropriate supervisor. There are several supervisors within the different areas of the library to include: a children's area supervisor, a circulation desk supervisor, and a reference desk supervisor. The supervisors at each branch approve non-exempt employee timesheets. The Branch Manager approves the supervisor timesheets. The Department Manager approves the Branch Managers and Administrative Assistant timesheets. The Administrative Assistant is part of the main library.

The Library has temporary employees hired through the County contract with the 3rd party agency that is currently under contract with the County. The Administrative Assistant enters the timesheets for temporary employees on the 3rd party agency's website after the sheets are approved by the Supervisors.

Testing

We obtained timesheets and direct deposit reports for the pay periods ending July 7, 2022 and September 10, 2022 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 to any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

Grant Budget Allocations

Background and Procedures (Main Branch)

The Library Department receives grant money monthly from the Georgia Public Library Service. These monthly funds are comprised of funds for six salary positions, System Services Grant and Materials Grant. Regional libraries may not receive all grant portions each year. The grant amount for salaries is determined based on the total number of salaried positions and the base salary allowed. The number of salaries is calculated based on one position per county plus an additional position per 75,000 population in the region. Each year the Georgia Public Library Service determines the allowable base salary the grant will cover and then pays this amount to the regional system for each salary position. The Burke, Lincoln and Warren County libraries pay salaries to their employees and then request to be reimbursed from the regional funds. The Regional Director inputs requisitions each month for the counties to be reimbursed using the grant funds. The Regional Director does not submit a request for reimbursement until the signed budget proposal has been received from the County Commissioners.

All grant funds remain in the Finance Department under the Regional Budget. Each county library has a cart in the Brodart online system where they add the materials they would like to purchase. Each county shares their cart with the head cataloger, who approves and orders the materials. At the Evans Library, managers in the designated areas; Adult, Young Adult, Children, etc. have a cart in Brodart and can order materials. After all the materials and invoices have been received and reconciled at the Columbia County Library the materials are delivered to the respective locations. The Library Director then enters in requisitions for the invoices to be paid from each county's specified line code in the regional budget and the expenses are recorded in Munis under each county's specified line code. The Regional Director tracks the actual expenses by line code in Munis to the budgeted amounts using a spreadsheet for the fiscal year.

Approximately in April each year, the Regional Director receives documentation from the Georgia Public Library Service indicating the value of grant funds for the upcoming fiscal year. She then calculates the grant allocations for each county based on the amount in the award document.

The Georgia Library Service does not require the regional grant funds to be allocated in a particular way. The Regional Director works to allocate the grant funds as fairly as possible based on the populations of the counties and takes into account whether the county receives other funding to assist in covering expenses. If there are funds that are not used in certain areas, the Regional Director can request for these funds to be converted for other uses.

Once the Regional Director calculates the allocation to each County, the budgeted amounts are presented to the Regional Board. The grant allocation must be approved by a County Commissioner and the President of the County Library Board of Trustees from each County in order to be considered in effect for the following fiscal year. The Regional Director sends the allocation to the Georgia Library Service where it is reviewed and approved or adjusted if needed.

Testing
We obtained the grant budgeting spreadsheet from the Regional Director. We viewed supporting documentation for the tracking of member County funds and expenditures. We then haphazardly selected expenditures from the member County allocation spreadsheet and traced them to the Munis general ledger reports to ensure that the amounts were being properly recorded.

We reviewed supporting documentation provided by the Regional Director to confirm the allocation of grant funds to each County was performed as described during our inquiries. We then reviewed the documentation of member County approval of the grant allocations for the fiscal year 2022.

Results
It appears the budgeting process set forth for member Counties appears adequate and properly maintained.

General Inquiries and Observations

Background and Procedures (Main Branch)
Revenue is received from late fees, lost book fines, copier and fax machine use, replacement card fees, out of state library card fees and supplies as well as from the sale of ear buds, binders, and USB flash drives and is received by the circulation staff primarily but also by the reference staff at the reference desk downstairs. Most receipts are in the form of cash or check. However, the Main Branch is able to process credit cards for payment.

Cash drawers are maintained upstairs by the circulation staff and downstairs by the reference staff; and these are used to make change for customers paying with cash. At the end of the day, the circulation staff puts the daily receipts in the safe. Only the manager or manager on duty is allowed access to the safe. The safe is maintained in the circulation staff area and requires a code and key in order to access the cash kept inside. The key remains in the keyhole at all times. A label attached to the safe above the key states “Do Not Remove”. Staff members who have access to the safe memorize the safe code. Per the Circulation Manager, only the manager or manager on duty should have access to the safe and there is always a manager on duty when the library is open.

There is a $200 till in the cash register behind the front desk, which is kept in the locked register at night. The key to the register is kept in the Circulation Manager's desk and the Circulation Manager's office is locked when unattended. Each morning, the Circulation Manager counts the cash register down to $200. The Circulation Manager then runs a report on the register to show all the transactions for the prior day and the total cash received for the day. The Circulation Manager reconciles the register total to the cash total recorded in the Pines system for each day. When counting the cash drawer down each morning, the Circulation Manager reconciles the cash revenue to the total on the register tape. The cash is then stored in the safe until the bank deposit is made on Monday. If the Circulation Manager is out for the day, there are three other full-time employees who are trained to perform the cash register procedures.

On Monday morning, the Circulation Manager puts all the cash collected during the week into a deposit envelope. The Circulation Manager notes the total cash revenues for each week (Monday through Sunday) on the register ledger so the Administrative Coordinator can reconcile to this amount as she prepares the deposit report. The Administrative Coordinator then verifies the amount in the deposit envelope, prepares the deposit slip and deposits at the bank.

The Circulation Manager empties the coin exchange machine once a week, twice if needed. The bills from the machine are stored in the safe until the bank deposit is prepared.

Background and Procedures (Harlem Branch)

Revenue is received from late fees, lost book fines, copier and fax machine use, replacement card fees, out of state library card fees and supplies as well as from the sale of ear buds, binders, and USB flash drives. All transactions are recorded on a daily log sheet and fines are recorded in the Pines system. During library hours, a cash box is kept in an unlocked drawer at the front desk. At night, the cash box is locked in a drawer in the back room. All three employees at the location have access to this drawer.

Each morning the cash box is counted down to $150 by one of the employees. The revenue from the prior day is reconciled to the prior day's daily log sheet and Pines daily payment report then stored in the locked drawer in the back room. The Branch Manager maintains an Excel spreadsheet of daily transactions from the daily log sheets and Pines reports. At the end of the day or the next morning, she reconciles the revenue to this information.

The Branch Manager prepares the deposit and takes the deposits to the bank one or two times during the month. If there are checks to be deposited, the deposits are made as timely as possible. The deposit slips are kept at the Harlem library.

Background and Procedures (Grovetown Branch)

Revenue is received from late fees, lost book fines, copier and fax machine use, replacement card fees, out of state library card fees and supplies as well as from the sale of ear buds, binders, and USB flash drives. A cash tray is maintained in an unlocked drawer behind the front desk. The cash tray is kept in the safe at night. The safe is located in a cabinet in the back room and the key for the safe is kept in the Branch Manager's office.

Each morning, the cash tray is counted down to $150 by a full-time employee. The revenue from the prior day is placed in an envelope with the date and amount written on it. If there were any checks collected this is also written on the envelope. This envelope is placed in the safe.

The Branch Manager reconciles the revenue taken in each day to the daily payment report in the Pines system. The Branch Manager maintains a spreadsheet to track and reconcile all cash on hand; cash in the safe and in the tray. She inputs the daily transaction amounts recorded in the Pines system and reconciles these amounts to the details recorded on the transaction spreadsheet maintained by the front desk employees. This is reconciled two or three times per month. This spreadsheet includes tracking when deposits are made and the cash on hand balance.

Deposits are prepared and made by the Branch Manager two or three times per month. If there are checks taken in, the deposits are made as timely as possible to process the checks. The carbon copy of the deposit is kept at the Euchee Creek library and the original deposit slip is mailed to the Regional Director at the Evans branch.

Testing
We inquired of the Library Director, the Circulation Manager and the Branch Managers at the Harlem and Euchee Creek branches about the Library's cash controls and procedures and performed change fund counts and cash handling observations at each branch.

Results
We noted no exceptions during our inquiry. All control functions appear to be properly implemented and performed on a regular basis.

COLUMBIA COUNTY, GEORGIA
PARKS, RECREATION & EVENTS DEPARTMENT
INTERNAL AUDIT

TABLE OF CONTENTS

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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 Parks, Recreation & Events Department's collection of funds and other general operating policies and procedures. The County's management is responsible for the department's accounting records. The evaluation procedures were those approved by the County. Our analysis and report do not include evaluating all internal controls over the Parks, Recreation & Events 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., CPAs

Augusta, Georgia
March 14, 2023

INTERNAL AUDIT OBJECTIVES

Our internal audit objectives were designed to:

- Obtain an understanding of the County's internal control system of the Parks, Recreation & Events Department relating to the collection of fees, recording of fees and adherence to policies and procedures.
- Design and execute tests of the policies and procedures of collecting funds throughout the various areas of the Parks, Recreation & Events Department.
- Determine if there are adequate controls to provide a 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 Parks, Recreation & Events Department and internal controls relating to the collection, recording, and safeguarding of funds and adherence to policies and procedures. The internal audit focused on the time period of July 1, 2021 through December 31, 2022, but certain analysis was 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.

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 Parks, Recreation & Events Department personnel;
- Observing operations and conducting walk-through interviews; and,
- Testing documentations such as receipts, deposits, registration forms, general ledger entries and data, Rec1 reports, and other applicable data and documentation.

SUMMARY OF INTERNAL AUDIT RESULTS

- **Munis and Rec1 Interface**
  - Fees collected for active gym memberships could not be traced to Munis on an individual transaction basis.

- **Gym Memberships**
  - We noted deposits per Rec1 cannot be identified on the Munis reports on an individual transaction basis.

- **Rental Contracts**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **Ranger's Cabin Rental**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **Wildwood Park**
  - We noted one exception in our testing and observation of the internal control procedures identified by management.

- **Youth and Adult Registrations**
  - *Youth Registration* - We noted deposits per Rec1 cannot be identified on the Munis reports on an individual transaction basis.

  - *Adult Softball Registration* - We noted no exceptions in our testing of the internal control procedures identified by management.

- **National Alliance for Youth Sports (NAYS) Registration**
  - We noted one exception in our testing and observation of the internal control procedures identified by management.

- **Purchase Requisitions**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **Purchase Cards**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **Timesheets**
  - We noted one exception in our testing and observation of the internal control procedures identified by management.

Munis and Rec1 Interface

Background and Procedures

Columbia County uses the enterprise resource planning software, Munis, to perform all of their financial and management processes throughout the County. The Parks, Recreation & Events Department, however, uses a unique software package called Rec1 to handle all their accounting and management needs. As a result, the Accounting Coordinator must periodically upload the accounting information to Munis in a process known as "interfacing". Once the interfacing process is complete, the Finance Department reviews and reconciles the uploaded information from the Parks, Recreation & Events Department to ensure all data is properly transferred to Munis.

Testing

In each of the major areas of testing, we performed tracing procedures from the Rec1 reports to the Munis reports to ensure the data properly transferred between the two software packages.

Results

We noted fees collected for gym memberships, and youth sports registration could not be traced to Munis reports on an individual transaction basis. During the interface transfer from Rec1 to Munis, deposit descriptions do not transfer over and, therefore, daily deposits cannot be identified.

During our prior internal audit, we identified the above "interfacing" issue. We again notified management at the Parks, Recreation & Events Department of our inability to trace the deposits for active gym memberships, daily passes, and youth and adult sports registration fees to Munis reports due to the "interfacing". They stated they were aware of the issue.

Due to the "interfacing" issue, we decided to perform alternate procedures to determine whether deposits are accurately transferred from Rec1 to Munis. We haphazardly chose two months to test which were July 2022 and November 2022. For each month tested, we compared a revenue detail from Munis to a revenue detail from Rec1. For each account and overall, we noted small variances between the reports due to the interfacing issue.

Gym Memberships

Background and Procedures

Gym facility hours are 7:00 am - 9:00 pm Monday - Thursday, 7:00 am - 5:00 pm on Friday, 9:00 am - 5:00 pm on Saturday, and 1:00 pm - 6:00 pm on Sunday. The County uses several contracted, part-time employees to operate the gym. All employees can collect fees and store these fees in the safe. Payments for memberships and for rental of the facility are accepted by employees at the gym. Members are required to swipe their issued membership I.D. card at the front desk. Once the membership period expires, the member is notified that payment is required to continue membership. If the member does not renew the membership, Rec1 deactivates the I.D. card. Membership usage is stored in Rec1 every time the member uses the facility. The employee who accepts the payment records the payment in Rec1. Rec1 produces a receipt and generates a receipt number. At the end of each shift, each employee closes out Rec1 for their transactions, prints a cash journal, and balances the funds taken during his/her shift to the cash journal. The report and monies are then placed in an envelope and deposited into the safe. All funds are maintained in the safe overnight. The next day, the funds are picked up by the Accounting Coordinator at the Parks, Recreation & Events Department for reconciling and depositing procedures.

Testing

We obtained an active membership report for the period of July 1, 2021 to December 31, 2022 and selected 15 active members. For each selection, we traced the membership payments through Rec1 and to clearing the bank. In addition, we agreed the rates paid for gym memberships to the board-approved membership rates.

Results

We noted the following during the performance of testing procedures:

- The membership fees paid agreed to the board-approved membership rates.
- The membership fees were properly recorded in Rec1 and deposited into the bank.
- We noted deposits per Rec1 cannot be identified on the Munis reports on an individual transaction basis. We also performed additional procedures in order to determine that, in total, revenue is correctly imported into Munis.

It appears that the gym members are being charged the correct fees and the membership fees are being correctly posted to Rec1.

Rental Contracts

Background and Procedures

The Parks, Recreation & Events Department has pavilions and various ball fields available for rent. There are other facilities that the County rents such as the gymnasium and pavilions at Wildwood Park. When pavilions are rented, the funds are paid directly to the Parks, Recreation & Events Department. The renter makes a request for a rental through the Rec1 system for Parks and Recreation staff to approve. Once staff approves the rental, it auto generates an email notification to the renter and they log into their account or come to the office and pay the balance for the rental. The renter then has the choice to print their receipt or receive it via email. The receipt lists all county policy and procedures for rentals.

We inquired about other rental facilities and according to the Financial Clerk and the Park Supervisor, there are other parks in the department with facilities available for rent; but they are seldom rented. These include Blanchard Woods Park, Reed Creek Park, Blanchard Park, Harlem Park, and Lonnie Morris Park.

Testing

We selected five rental contract agreements that were executed during the period of July 1, 2021 through December 31, 2022 for use of various facilities and pavilions. We tested each contract for proper payment and noted whether the policies and procedures were followed regarding rental contract agreements. We noted the following:

- Each renter was charged the appropriate board-approved rate and refunded any damage deposit.
- The proper board-approved form was used for the contracts.

Results

We noted no violations of policy during our rentals testing.

Ranger's Cabin Rental

Background and Procedures

The Parks, Recreation & Events Department provides lodging to the on-duty Ranger at Wildwood Park known as the Ranger's Cottage. The acting Ranger entered into a lease agreement on July1, 2020 through June 30, 2022. The lease agreement was renewed on May 3, 2022 and runs through June 30, 2023. Monthly rental payment is due by the 5^{th} of each month. A late fee is assessed for any payment made by the ranger after the 5^{th} of the month.

Testing

We selected six months during the rental period to ensure the lessee was making the required monthly payments and assessed any late fees, if applicable.

Results
We noted the following during the performance of testing procedures:

- The required monthly rental payment for July 2022 through December 2022 was made by the rental payment due date.
- All payments were properly posted to Rec1 for the months of July 2022 through December 2022.

It appears that the lessee of the Ranger's Cottage is properly abiding by the rental contract agreement and that rental payments are being properly recorded in Rec1.

Wildwood Park

Background and Procedures
Wildwood Park ("Wildwood") is located on Clark's Hill Lake, and provides primitive and regular camp sites as well as daily passes for vehicles. Fees for the camp sites and other uses are approved by the County. Fees for the camp sites are $15 per day for primitive and $25 per day for regular sites. The boat and horse fees are $6 per day per boat or horse. The vehicle charge is $3 per day. All fees are approved by the County.

Testing
We obtained the Wildwood Park Daily Revenue Reports and the corresponding Rec1 deposit information for the period of July 1, 2022 to July 15, 2022. We agreed the daily cash collections at Wildwood Park to the Rec1 Deposit listing and clearing the bank statement.

Results
1 of the 15 transactions showed a $20 variance between the Wildwood report than the Rec1 report.

Recommendations
We recommend Management ensure the Rec1 report agrees to the Wildwood Park Daily Revenue Detail, after accounting for the cash collections, and that differences be investigated.

Management Response
Staff will be instructed to correct the form to ensure it matches Rec1 report.

Youth and Adult Registrations

Background and Procedures
The Parks, Recreation & Events Department provides a variety of youth and adult sports for Columbia County, Georgia residents. Rec1 software is used to register and track all sporting event participants for registration activities.

On the day of registration, Parks, Recreation & Events Department administrative staff handle all registrants who register in person. Registration information and any necessary information is collected from the registrant and entered into Rec1 and payment is made before the registrant leaves the office. Online registrations are processed through Rec1.

Youth Registration

Discounts may be taken for multiple children in each family. The policy of requiring a copy of the child's birth certificate began January 1, 2014. In 2018, the Parks, Recreation & Events Department transitioned to the Rec1 system and allowed everyone to register online or in office and no longer keep birth certificates on file. The new procedures for birth certificates require the parent to either bring the birth certificate to the office for staff to review or send a copy. Once the birth certificate is reviewed, staff enter the household account on the Rec1 system and add a flag date of birth verification to the account to ensure the child is verified. Registration can be done in person or online. The Athletic Supervisor and managers set the calendar for registration dates for each season at the beginning of the year, with tentative dates for the first season of the next year. When the next year's calendar is finalized and approved by the Parks, Recreation & Events Department Manager and staff, the CLS Marketing Manager updates the County website.

Adult Softball Registration

Adult softball registration is performed by the team manager/coach for all members of the team. Fees are determined by the board and recorded on the on Resolution form 14-1100, adopted July 1, 2014. The policy is for all fees to be paid before the first team game. Each adult on the team must sign the adult player contract which also serves as the team roster, and each manager/coach must submit the team information sheet.

Testing

Youth Registration

We obtained a report from the Department Manager printed from Rec1 with all deposits for youth registrations, the corresponding registration receipts from Rec1 and child registration forms. We selected 15 youth registration payments from the Rec1 report for the Fall and Winter 2022 registration periods, traced payments to the Rec1 receipt and the Rec1 cash and credit card journals and noted if a birth certificate was obtained by the Parks, Recreation & Events Department and confirmed in Rec1. We noted that the payments in Rec1 were split. A $5 fee is allocated as a surcharge for the Recreation Advisory Board. We also noted that online payments included a $2.50 processing fee. We then agreed the registration fee and the uniform fee from the Rec1 receipt to the board-approved youth registration fees. If any registration payment was made after the deadline, we noted a $10 late fee was assessed to the registrant. For any family registration which included multiple children, we noted the multiple-child discount was included as a deduction from the total registration fees.

Adult Softball Registration

We obtained a report from the Department Manager printed from Rec1 with all deposits for adult softball registration for the Summer 2022 registration period, which was the most recent time this league was held by the County. We selected all 5 softball teams for testing. We had the department pull the player contract/roster and the corresponding Rec1 receipts and cash journals. We traced the payments to the Rec1 receipt and the team contract/roster. We tested to see if all teams were assessed the proper registration fee, field supervisor fee and the association registration fee. We noted whether all payments were made in a timely manner. We also noted that any out-of-county player was properly assessed the out-of-county fee. All registration fees were properly paid and agreed to the Rec1 receipt and cash journal.

Results

Youth Registration

We noted the following during the performance of testing procedures:

- All registration fees and uniform fees tested were properly assessed the proper fee based on the board-approved fee schedule for each respective sport.
- All registrants tested were charged the $5 surcharge and the $2.50 processing fee for online applications.
- All fees were properly recorded in Rec1 and deposited into the bank.
- All children who paid were properly listed on the youth activity roster.
- We noted deposits per Rec1 cannot be identified on the Munis reports on an individual transaction basis. We included a recommendation in the "Munis and Rec1 Interface" section.

All associated fees for child registration appear to be properly paid and recorded in Rec1. Policies and procedures associated with child registration appear to be followed by the administrative staff.

Adult Softball Registration

We noted the following during the performance of testing procedures:

- All registration fees were paid in a timely manner.
- The proper team contract/roster form was used for each softball team tested.
- Although we could not confirm exactly which $610 payment went to which team, we saw all five $610 payments in Munis.

All associated fees for adult softball registration appear to be properly paid and recorded in Rec1. Policies and procedures associated with adult softball registration appear to be followed by the administrative staff.

National Alliance for Youth Sports (NAYS) Registration

Background and Procedures

Columbia County Parks, Recreation & Events Department requires all coaches and officials to be certified by the National Alliance for Youth Sports (NAYS) if they want to coach for more than one season. Approximately one week after youth registration is closed, coach meetings begin with the Department's personnel. Authorization for background checks and information forms for NAYS certification registration are obtained from the coaches. The information forms are provided to the Athletic Coordinator. As meetings are completed, the Athletic Manager inputs each coach's information. If a coach indicates they are already certified, the Athletic Manager verifies the certification is current on the NAYS website.

When all meetings have been held, the Athletic Manager submits the batch to register the coaches with NAYS. When the batch is submitted, payment is required. The Assistant Manager's credit card is charged and a receipt is emailed to support the charge. At this time, programming staff are asked to notify the coaches that they should expect to receive their email instructions on how to go online and go through the training. NAYS sends an email notification with a list of those registered, but not certified to the Athletic Manager bi-weekly. These notifications are used to track certifications.

Credits are issued by NAYS for any registered coach who has not completed the certification by the end of the season. The Athletic Manager contacts NAYS at the end of each season and requests credits be issued. Credits are applied to the next invoice billed. Any coach who does not complete the certification by the end of the season will not be allowed to coach in the future.

Testing

We obtained the League Detail reports from January 2022 to December 2022. From the League Detail reports, we selected 10 coaches for testing from the batch payment reports. We obtained the batch reports from the NAYS system from the Department Manager to verify the selections were registered and registration for certification was paid for by Columbia County Parks, Recreation & Events Department. We viewed the list of certified coaches in NAYS and received the most recent email notification from NAYS for coaches registered who had not completed the certification.

Results

We noted one exception during testing. One coach had not completed certification, but coached in the same sport, in the same age group, twice. This was caused by his name being entered incorrectly in the NAYS system.

Recommendations

We recommend verifying the submission of the documentation received by the prospective coach, and if possible, assigning an identification number to each coach. All coaches should be certified.

Management Response

Staff will be instructed to double check spelling and ensure names match prior to submittal.

Purchase Requisitions

Background and Procedures

The Accounting Coordinator enters all purchase requisitions into Munis. The Accounting Coordinator can approve any purchases up to $500. The Parks, Recreation & Events Manager approves all invoices for the Parks, Recreation & Events Department if within his approval limit of $5,000. Any invoices over $5,000 are approved by the Division Director.

All purchases up to $5,000 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 $5,000 and $24,999 require a quote sheet with three to five price quotations attached. Purchases over $25,000 require a request for proposal (RFP)/bid and are processed through the procurement department.

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 obtained the purchase order detail from Munis for the time period of July 1, 2021 to December 15, 2022, and made 15 selections. 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. We verified that written quotes or bids were solicited and documented when appropriate for the amount of the purchase.

Results

We noted no exceptions to any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

Purchase Cards

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 listing of the staff members who were issued a purchase card from the Finance Department. We viewed the April 2022, August 2022, and November 2022 statements and 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 any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

Timesheets

Background and Procedures

A county-wide form in Excel was used by the Parks, Recreation & Events Department (including Wildwood) for timesheets, which are completed by each employee and turned into the Department's Administrative Specialist. Each employee signs off on the timesheet as approval for the hours recorded. Each timesheet is reviewed by the Department Manager, who signs off for supervisory approval. The timesheets are forwarded to the Financial Assistant who inputs the information into Munis. However, starting in September 2021, the county began implementing a new, electronic process for employees to enter their time. All pay rates are pre-established in Munis by the Human Resources Department. The County wants each department to be converted to the electronic timesheet process by December 2022.

Testing

We obtained timesheets and direct deposit reports for the pay periods ending July 30, 2022 and November 19, 2022 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 one employee did not sign-off on their timesheet for the July 30, 2022 payroll date. The department, at this point, was still using paper timesheets. This issue is will not recur due to the change in timesheet approval procedures, which are now completely electronic.

COLUMBIA COUNTY, GEORGIA
RECYCLING CENTER
INTERNAL AUDIT

TABLE OF CONTENTS

Michelle Bennett, CPA
Rick L. Evans, CPA
E.J. Maddocks, CPA
Jay Sanders, CPA
Wanda F. Scott, CPA

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 evaluation of certain internal controls and operating procedures of the Recycling Center's cash collection processes and other 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 Recycling Center.

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., CPAS

Augusta, Georgia
March 14, 2023

INTERNAL AUDIT OBJECTIVES

Our internal audit objectives were designed to:

- Obtain an understanding of the County's internal control system for the Recycling Center relating to the monitoring of the cash collection processes and other general operating policies and procedures and the adherence to those policies and procedures.
- Design and execute tests of cash and operating policies and procedures for the Recycling Center.
- 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 Recycling Center and internal controls relating to the cash collection processes and other general operating policies and procedures and adherence to those policies and procedures. The internal audit focused primarily on the period July 1, 2021 to December 31, 2022; but certain analyses were performed outside of this time 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.

Our testing focused on the following areas:

1. Observation and inquiries of the cash collection processes and other general operating policies and procedures
2. Deposit Testing
3. Purchase Requisition/Order Testing
4. Purchase Card Program
5. Timesheet Testing

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 Recycling Center personnel,
- Observing operations and conducting walk-through interviews, and
- Testing documentation such as Revenue Transmittal Forms, Daily Cash Reconciliation Forms, purchase orders, purchase card statements, timesheets, general ledger entries and related data, Munis reports, and other applicable data and supporting documentation.

SUMMARY OF INTERNAL AUDIT RESULTS

- **General Inquiries and Observations**
  - During our discussions with the Green Programs Manager, one of the Department's two vehicles, the 2007 Ford F-450, has become unreliable. Frequent breakdowns cause inefficiencies in operations. In fact, this vehicle broke down on the day that we were onsite.

- **Cash Collections**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **Deposit Testing**
  - Of the ten deposits tested, we noted one deposit with a $10 variance between the revenue transmittal form and the revenue receipt form.

- **Purchase Requisitions**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

- **Purchase Card Transactions**
  - We noted no exceptions in our testing and observation of the internal control procedures identified by management.

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

- **Fuelman Reports**
  - Of the 16 transactions that occurred during this period, we noted the Department only entered an odometer reading once.

BACKGROUND AND PROCEDURES,
TESTING, RESULTS, RECOMMENDATIONS,
AND MANAGEMENT RESPONSES

General Inquiries and Observations

Background and Procedures

The Green Programs, which includes Keep Columbia County Beautiful and the Recycling Center, are part of the Planning Services Division and the Green Programs Manager reports to the Planning Services Division Director.

Inquiries and Testing

We made the following inquiries of the Green Programs Manager:

- How many locations does the Recycling Center operate?
- What vendors does the County use, what services do they provide, and what fees, if any, are paid to these vendors?
- Are the vendors providing services to the County under contract?
- What documentation, such as proof of insurance, is required to be provided by the vendors?
- How frequently do vendors pick up recyclable materials?
- Are the current processes used by the Recycling Center written and approved by the Board of Commissioners?
- What areas of the operations seem to run most efficiently?
- What items are needed to make the department run more efficiently?

Results

Locations:

- Main Facility - Riverside Park
- Secondary Facility - William Few Parkway

Currently, Rock-Tenn picks up paper, plastic, and cardboard products on a two-week schedule. Metal products are serviced by Newell Recycling on a "will call" basis. Atlanta Recycling is the vendor for electronics and picks up on a "will call" basis. Glass recycling is through Strategic Materials and is on a "will call" basis. Currently, the County pays a fee of 30¢ per pound for televisions collected by Atlanta Recycling. This fee is offset by the 30¢ per pound that the Recycling Center charges each customer to recycle a television.

Vendors providing pick up service and recycling services to the Recycling Center are not under contract. The Recycling Center prefers to not enter into contracts with any particular vendor due to weekly price changes for products such as metal and the ability to switch to a new vendor if necessary.

We inquired of the Green Programs Manager about what vendor information is obtained from the vendors. Currently, per the Green Programs Manager, a file is kept on each vendor which includes a copy of the company's liability insurance coverage and current business license and/or the Certificate of Existence from the office of the Secretary of State.

General Inquiries and Observations (continued)

Frequency of vendor service:

- Legacy Container services the Center's paper recycling on a "will call" basis. The Center calls when service is required.
- Signal Group services the Center's cardboard recycling on a "will call" basis. The Center calls when service is required.
- I-20 DBA GCT Recycling services the Center's metal recycling on a "will call" basis. The Center calls when service is required.
- EvTerra and Atlanta Recycling services the Center's electronics recycling on a "will call" basis. The Center calls when service is required. The County pays 30¢ per pound for televisions. This fee is offset by the 30¢ per pound that the Recycling Center charges each customer to recycle a television.
- Glass is recycled through Strategic Materials on a "will call" basis. Logistics is handled through Strategic and the County does not pay for this service nor receive a rebate for the material.

The Green Programs Manager feels that the intake and drop-off of materials from county residents is the most efficient aspect of their operations. They frequently are complimented by residents who appreciate the timeliness of getting in and out of the Centers.

Per our discussions with the Green Programs Manager, one of the Department's two vehicles, the 2007 Ford F-450, has become unreliable. Frequent breakdowns lead to inefficiencies in operations.

Recommendation
We recommend evaluating the Department's equipment needs and, potentially, considering the reassignment of a lower mileage vehicle to this Department.

Management Response
I agree with the above statements.

BACKGROUND AND PROCEDURES,
TESTING, RESULTS, RECOMMENDATIONS,
AND MANAGEMENT RESPONSES

Cash Collections

Background and Procedures

On a daily basis, the Recycling Center receives funds for the recycling of televisions, microwaves, and various other appliances as well as for the sale of recycling bins. The acceptable methods of payment are cash, card, and check. All cash collected at the Recycling Center is from customers. The Green Programs Manager collects funds in the form of checks from the recycling vendors for rebates on products such as metals.

Rebate checks are compiled on a separate Revenue Transmittal form and remitted to the finance department monthly along with the other revenues. Separate Revenue Transmittal forms are also prepared for each of the two locations.

Inquiries and Testing

We made the following inquiries of the Green Programs Manager:

- What are the acceptable methods of payment?
- What are the daily operating processes and procedures?

We observed Cash Counts at both locations.

Results

Cash Collections Inquiries:

The Recycling Center uses a cash register to record daily transactions. The Center maintains $200 in the cash register at each location for change. Daily procedures are described below.

Beginning of day procedures:

The opening staff member "wakes up" the register, counts the till and records the amount on the Daily Cash Count and Reconciliation Form. The form is then time stamped with the time clock. The cash count procedure is repeated at mid-morning and mid-afternoon and documented in the same way.

Daily operations:

When a customer brings items to the Center for recycling, the staff enters the transactions into the cash register. The Center usually has two staff members onsite each day. Each staff member uses the same cash register. The cash register is setup to distinguish which staff member is processing the transaction.

End of the day:

One staff member counts down the register for a final time, completes the "Columbia County Recycling Center Daily Cash Count and Reconciliation Form" and runs the Z-Report from the cash register. Once the form is completed, the staff member attaches the funds and the Z-Report to the form, and puts the form in the envelope. The envelope is dropped in a locked safe for which the employee does not have the combination. The safe is located in the office building at the main Center and in a closet at the secondary center. Currently, deposits are removed from the Center weekly by the Department Manager and taken to the Department Manager's Office for recounting and submitting to the Finance Department. Once a week, the Department Manager remits all funds to the Finance Department. Between remittances the funds are stored in the

Center's safes.

Cash Collections (continued)

Cash Observations

We observed the mid-afternoon cash count at the Riverside Park location and noted the total count was $259.70 ($200 till). The Green Programs Manager also printed out the "X-Report" from the register and noted that there were $59.70 in sales transactions during the day. We also visited the William Few location to discuss cash collections with the Center manager. We observed a recount of the mid-afternoon count and noted the total count was $260.00 ($200 till). Per the "X Report" there were $60.00 in sales transactions during the day.

Results

We noted no exceptions to any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

Deposit Testing

Background and Procedures

Cash and checks received by the Recycling Center are compiled on Revenue Transmittal forms. A separate form is used for each of the two locations and a third form is used specifically for rebate checks received from vendors. Deposits are made weekly, therefore several days' receipts are included and reconciled to each Revenue Transmittal form. When funds are remitted to the Finance Department, a Receipt of Funds form is prepared and signed by an employee in the Finance Department.

Testing

To test Recycling Center deposits, we selected ten revenue items from the general ledger report from July 1, 2021, to December 31, 2022. We traced each revenue item from the general ledger to supporting documentation including the "Z" Reports from the registers, check copies (where applicable), the Revenue Transmittal forms and the Revenue Receipt forms provided by the Finance Department. We noted that several of our selections were combined with other line items from the general ledger on the transmittal forms. We expanded our testing to include those general ledger line items as well in order to reconcile to the transmittal forms.

Results

Of the ten deposits tested, we noted one deposit with a $10 variance between the revenue transmittal form and the revenue receipt form. The cause of the error was a $10 credit card purchase erroneously entered as a cash purchase. There was no indication of missing cash.

Recommendation

We noted that internal controls are in place, however, this variance was not detected. We recommend verifying that all deposits are appropriately reconciled to prevent misclassifications.

Management Response

I agree with the above statements.

Purchase Requisitions

Background and Procedures
When supplies are needed, the Recycling Center orders them from office supply stores. When the invoice arrives, the invoice is entered into Munis per County standard policies by the Green Programs Manager. All purchases up to $4,999 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 $5,000 and $24,999 require a quote sheet with three to five price quotations attached. Purchases over $24,999 require a request for proposal (RFP)/bid and are processed through the Procurement Department

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 and printed from the system.

The County contracts with a vendor for temporary workers. The vendor invoices each department within the County monthly for the services of the contracted temporary workers. These invoices are processed through the purchase requisition process for the Recycling Department. These invoices were included in our purchase requisition testing procedures.

Testing
We obtained the purchase order detail from Munis for the time period of July 1, 2021 to December 31, 2022, which included only one purchase requisition. We tested this one transaction, which took place in September 2022. 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. We verified that written quotes or bids were solicited and documented when appropriate for the amount of the purchase.

Results
We noted no exceptions to any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

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.

Purchase Card Transactions (continued)

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 the purchase card print management statements for November 10, 2021, March 16, 2022, July 6, 2022, September 14, 2022, and November 9, 2022. For each week selected, we observed the original receipts attached to the Statement Manager Report and noted proper approval. We determined the charges were for County use. We further observed the line code for each of the expenditures was included on the Statement Manager Report.

Results
We noted no exceptions to any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

Timesheets

Background
The Green Programs Manager uses the standard County time keeping procedures. Non-exempt employees must complete a timesheet for each payroll cycle; however, exempt employees, such as the Green Programs Manager, do not have to complete a timesheet for each payroll cycle. Exempt employees are required to complete a leave request form and have the form approved if any leave is taken. The Green Programs Manager inputs the time into Munis. Once all time has been entered into the Munis system, the Munis report and copies of the leave requests are forwarded to the Finance Department.

Testing
We obtained the payroll registers, timesheets, direct deposit reports and leave requests (if applicable) for the Recycling Center for payroll ending July 2, 2022 and September 10, 2022 from the Finance Department. We verified that the hours on the timesheets agreed to the Munis payroll register and that the payroll register agreed to leave requests (if applicable) and totaled 80 hours per pay period for the Department Manager. We compared the payroll register to the direct deposit report to verify that the employee was paid the amount that was calculated on the payroll register. We verified that the timesheets and leave reports were signed by the employee and the manager.

Results
We noted no exceptions to any of the items that were tested. Per the results of our testing, internal controls appear to be functioning properly.

Fuelman Reports

Background
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.

Fuelman Reports (continued)

Testing
To test the data, we obtained Fuelman reports for the time period of September 22, 2022 through December 22, 2022 from the Fleet Department. We analyzed all transactions for the Facility Management Department for those two months. 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
Of the 16 transactions that occurred during this period, we noted the Department only entered an odometer reading once. The Green Programs Manager explained that, during the winter months tested, some of these Fuelman purchases were for a diesel heater that warms the unheated sections of the recycling center. Because the odometer readings were not entered, we could not test for the reasonableness of those odometer readings or miles per gallon. The County issued a miscellaneous Fuelman card for this purpose, but that card was damaged in 2016. The Department manager destroyed the card at that time but did not obtain a replacement.

Recommendation
We recommend that the Department obtain a replacement for the miscellaneous Fuelman card that was previously issued to them. The Fuelman cards issued to each truck should be used only to purchase fuel for the associated truck. At each fill up, the odometer reading should be entered to ensure the County's Fuelman reports are complete and accurate.

Management Response
I agree with the above statements. Staff has already received the additional Fuelman card for the Riverside Park F-450.