

**FULTON COUNTY AUDIT COMMITTEE MEETING**

January 11, 2024

Fulton County Government Center  
4<sup>th</sup> Floor  
Atlanta, Georgia 30303

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**MINUTES**

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Ratification Date: March 14, 2024

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**CALL TO ORDER:** Commissioner Bob Ellis 12:00 p.m.

**MEMBERS PRESENT:** Commissioner Bob Ellis, District 2  
Chairman Robert L. Pitts, At Large  
Robert Koncerak, Citizen Member  
Ambuj Jain, Citizen Member  
Jay Smalls, Citizen Member

**ALSO PRESENT:** Anthony Nicks, County Auditor; Queena Jenkins, Deputy County Auditor; Shauna Herbert, Audit Manager; Jonnah Williams, Auditor III; Christine McClain, Auditor II; Trina Alston, Title VI Coordinator; Ebony Johnson-Battle, Investigative Analyst; Sharon Whitmore, Chief Financial Officer, Joshua Clark, PJC Group; April Battiste, PJC Group; Jenny Culler, County Attorney’s Office.

**ADOPTION OF AGENDA:** A call was made by Commissioner Bob Ellis to approve and adopt the agenda at 12:05 p.m. The motion was seconded by Jay Smalls.

**The motion passed by the following vote:**

**Yeas: 3**

**Nays: 0**

**RATIFICATION OF MEETING MINUTES:** The meeting minutes from October 9, 2023 were reviewed, accepted and approved. **A motion was made by Commissioner Bob Ellis, to approve and seconded by Chairman Robert Pitts to accept the minutes as presented.**

**The motion passed by the following vote:**

**Yeas: 3**

**Nays: 0**

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

### Internal Audit Updates

Audit updates were presented by Shauna Herbert, Audit Manager. Ms. Herbert stated that the Magistrate Court Audit and the Tax Assessors' Office Review of Commercial Property Audits are in the reporting stage, with draft reports anticipated by the end of January 2024. The Purchase Card Follow-Audit is also in the reporting phase and the final report is anticipated by the end of January 2024.

Commissioner Ellis asked if the Tax Assessors Audit and the Magistrate Court Audit had significant findings. Ms. Herbert and Anthony Nicks, County Auditor, advised that there were concerns identified with the Magistrate Court Audit that may warrant a more in-depth conversation. Regarding the Tax Assessors' Audit, Queena Jenkins, Deputy County Auditor, advised that when the population for commercial sales was received, more than 90% of the population were invalid sales. However, the department has made some progress since the last audit.

### Purchase Card and Travel Card Continuous Review

Ms. Herbert shared the analysis for both the Travel Card and Purchase Card for the 3rd<sup>d</sup> quarter of 2023. Mr. Jay Smalls, Citizen Member, inquired about spending associated with vendor, Alexander Produce Inc. Ms. Herbert advised that the department would provide feedback regarding this vendor and the department associated with it at a future date. Chairman Pitts requested more detail about the spending in the District Attorney's Office and the Sheriff's Office, regarding Travel and Training. Commissioner Ellis questioned if the County's fuel card or County's vehicles could be assigned to a non-county employee. Sharon Whitmore, CFO, advised that the policy should support that they should only be issued to County employees. Contractors should not be allowed to use the County's fuel card, nor should a County vehicle be assigned to contractors. Mr. Nicks recommended pulling a list of vehicles to ensure they are assigned to County employees only. Commissioner Ellis asked if the fuel card was in the County employee's name. Ms. Whitmore confirmed that the cards are in the name of the employee.

### Whistleblower Hotline/Fraud Hotline Update

Ebony Johnson-Battle, Investigative Analyst, reported 59 cases were received in 2023, 42 cases were closed, and 17 cases are pending. Updates from Personnel, Legal, DCRC, and other departments with pending cases have been received, resulting in case closures. As such, the number of cases received since the inception of the hotline was a total of 319, with 302 cases being closed and 17 cases still pending. Additionally, 153 new employee presentations have been conducted with 5,140 new employees since 2017. A total of 24 presentations have been conducted, with 902 new employees in 2023. Commissioner Ellis questioned if this was the highest year on the record, in terms of reports received. Mr. Nicks confirmed the average has historically been around 38 cases/year. Commissioner Ellis asked if a certain trend or a particular

department was driving the increase. Mr. Nicks advised that there has been an increase in cases received, pertaining to the Sheriff's Office. Commissioner Ellis requested the number of cases received pertaining to the Sheriff's Office. Mrs. Johnson-Battle advised that she would provide this information at a future date. Mrs. Johnson-Battle advised that several reports have been received from the courts as well. Commissioner Ellis inquired about cases related to employees. Mrs. Johnson Battle stated those report types have remained consistent. Commissioner Ellis recommended reporting trends year by year, including case types and departments.

#### Title VI

Trina Alston, Title VI Coordinator, reported since the last Audit Committee Meeting, three additional site visits have been conducted with Health and Human Services and a total of 125 language calls have been completed in the last quarter. Of the 125 calls, 121 were Spanish. The top department users were Juvenile Court and Magistrate Court.

#### **NEW BUSINESS:**

April Battiste, PJC Group, presented the 2022 Financial Statement Audit and the required communication. The audit resulted in an unmodified opinion. Ms. Battiste also discussed the Single Audit findings, previously discussed. She also addressed the subrecipient monitoring finding, related to the Coronavirus State and Local Fiscal Recovery Fund. She advised that the subrecipient monitoring, performed by the Internal Audit department, did not address the finding, as it was only pertaining to the ERAP program. The finding was not material enough to the extent that it would qualify the opinion, as such the audit would remain unmodified.

A management letter was issued regarding the payroll account not being reconciled in fiscal year 2022, as well as the Inmate Welfare Fund, in the Sheriff's Office. Mr. Ambuj Jain, Citizen Member, inquired about the finding related to the Inmate Welfare Fund. Ms. Battiste advised that some invoices were in question, regarding the purpose of the purchase. Chairman Pitts inquired about the way invoices are approved within the Sheriff's Department. Ms. Battiste advised that they are approved internally, within the Sheriff's department, not through the County's finance or purchasing department. As such, PJC Group determined that the invoices did not meet the needed approval, required to make the purchases. Commissioner Ellis inquired about the level of verification conducted for purchases, like vehicles. Ms. Battiste informed the committee that they do confirm the location of purchases and review internal logs for verification.

Chairman Pitts inquired about the signatures required for purchase requisition from the Sheriff's Office. Ms. Battiste advised that she would confirm that information at a later date. Bob Koncerak, Citizen Member, inquired about the size of the Inmate Welfare Fund. Commissioner Ellis advised that the fund had around \$6 million in revenue coming in and it peaked at around \$12-\$15 million.

Commissioner Ellis asked about the process breakdown that is contributing to late information being received from the Finance Department. Ms. Whitmore advised that she has put in place a

monthly meeting with the finance team to get the status of monthly bank reconciliations. Ms. Battiste advised that the untimely bank reconciliations were a repeat finding from 2021; thereby, resulting in a management letter. Ms. Whitmore agreed to share updates from her monthly meetings regarding the reconciliation process. Commissioner Ellis requested that PJC Group submit a package of their reports to send to the Audit Committee for review. Mr. Jain inquired about a penalty for staff not meeting deadlines or an incentive for meeting deadlines. Ms. Whitmore advised that it could be helpful, as long as there are no penalties imposed that are beyond staff's control. Mr. Smalls inquired about how extensions are granted. Ms. Battiste advised that the process is completed through the Finance Department, Government Finance Officers Association (GFOA), and the State Auditor's Office. Ms. Whitmore discussed the impact that staff turnover and training have on the ability to meet deadlines. Ms. Whitmore agreed to give quarterly reports on the bank reconciliation process.

Ms. Battiste advised that PJC Group conducts an annual audit of the Fulton County Library System, related to funding received from the state (Georgia Public Library Systems). This audit resulted in two repeat findings. The first finding was regarding annual evaluations not being performed. The next finding was related to the inability to match the funding received with the expenditures on a one-to-one basis. Ms. Whitmore advised that in 2024 she would ensure the necessary actions are taken to separate the grant funds from the general fund in the library's budget.

Mr. Koncerak and Ms. Battiste discussed the impact that COVID-19 has had on business operations. They further discussed the audit practices for PJC Group. Ms. Battiste recommended meeting with the Audit Committee on a more consistent basis to have a better understanding of topics that may require more attention. Commissioner Ellis recommended a sub-committee meet quarterly with the external auditors. The group agreed that a sub-committee would be established. Mr. Smalls and Mr. Jain expressed concerns with the departments lacking visibility, regarding spending. Commissioner Ellis expressed concerns, regarding the lack of internal controls within certain departments.


#### **OTHER BUSINESS:**

Ms. Jenkins advised that the performance indicators were resolved with the Strategy Office.

#### **ADJOURNMENT**

There being no further business, a motion was made by Commissioner Ellis to move into Executive Session. The meeting adjourned at 1:29 p.m.

Respectfully submitted,

DocuSigned by:  
  
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Anthony Nicks, County Auditor

DocuSigned by:  
  
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Jonnah Williams, Auditor III