



FULTON COUNTY

**FULTON COUNTY, GEORGIA
OFFICE OF THE COUNTY AUDITOR
AUDIT OF CLERK OF MAGISTRATE COURT FISCAL
SERVICES DIVISION**

January 18, 2019

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INTRODUCTION

The Office of the County Auditor performed an audit of the cash management procedures established in the Clerk of the Magistrate Court Fiscal Services Division. The audit was selected based on the County Auditor's approved audit plan for 2018, which focuses on assessing cash handling operations within the County.

BACKGROUND

In 2014, the Magistrate Court became an independent court by legislation, specifically HB443 (2013-2014). The Clerk of Superior Court was appointed by the Board of Commissioners to be the Clerk of Magistrate Court pursuant to OCGA § 15-10-105(b) to perform the duties enumerated in OCGA § 15-10-105.1. The Fulton County Magistrate Court exists to serve the citizens of Fulton County. The Magistrate Court Civil Division handles matters such as Abandoned Motor Vehicles, Dispossessory (Landlord-Tenant) Actions, Small Claims, Garnishments, and Personal Property Foreclosure. The Fulton County Magistrate Court also provide judicial assistance as requested by the Superior and State Courts.

OBJECTIVE

The objectives of the audit were to assess the operations of the Clerk of Magistrate Court's Fiscal Services Division, evaluate cash management procedures and ensure proper internal controls exist.

SCOPE

The scope of this audit was from January 1, 2017 through December 31, 2017.

METHODOLOGY

To achieve our audit objectives, we performed the following audit procedures:

- Conducted interviews with key staff and personnel to determine the established processes and procedures related to cash handling, as well as, identify internal controls implemented;
- Performed walkthroughs of Clerk of Magistrate Court to observe key processes related to the financial operations while ensuring proper segregation of duties;
- Reviewed monthly bank reconciliations, financial reports and supporting documentation to ensure proper financial reporting;
- Assessed the capabilities of the Odyssey Financial Manager System to determine whether the Clerk of Magistrate Court is using the system to its full capability;
- Identified the collection of fines and fees for Clerk of Magistrate Court; and
- Selected a sample of transactions to test the effectiveness of the internal controls.

We conducted this audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our findings and recommendations are detailed below.

FINDINGS AND RECOMMENDATIONS

Finding 1 – Limited Use of the Odyssey Financial Management System

Effective automated controls include reliability and availability of electronically produced data. During our audit, we noted Odyssey Financial Management System (Odyssey) was not being utilized to its full capability. Specifically, several financial reports and automated reports available in Odyssey were not being utilized. These financial reports would show additional information that would aid in viewing the overall financial status of Magistrate Court, as well as, automate calculations to submit to regulated municipalities. Currently, these reports are considered unreliable due to the non-configuration of the Odyssey Financial Management System. Although, Odyssey is being used for some financial processes such as deposits, QuickBooks financial software and manual excel spreadsheets are also being utilized for reporting. The use of manual spreadsheets increases the risk of calculation errors, affect employee efficiency and lower employee productivity. Additionally, due to the limited use of the system, the ability to produce electronic reporting and produce reliable data from the system is lessened. During the time of this audit, Tyler Technologies was working with Magistrate Court to implement the full capabilities of Odyssey.

Recommendation

We recommend that the Magistrate Court Fiscal Services Division continue to work with Tyler Technologies to utilize the full capabilities of the Odyssey Financial Management system. The use of Odyssey in its full capacity will assist the division in performing necessary procedures to efficiently capture daily and monthly financial activities including monthly bank reconciliations.

CONCLUSION

Based on the audit performed of the Clerk of Magistrate Court Fiscal Support Division, we identified one (1) finding:

- Limited Use of the Odyssey Financial Management System

We recommend the Clerk of Magistrate Court management and staff give immediate attention to the above finding. Management should thoroughly explore the capabilities of

the Odyssey Financial Manager system and in an effort to utilize the system to its full capability.

Please provide a written response to this audit within ten (10) business days. Be sure to address the written response to Anthony Nicks, County Auditor. The written response should be submitted through the County Manager's Office and to Robbie Bishop-Monroe in the Office of the County Auditor at Robbie.Bishop-Monroe@fultoncountyga.gov. We would like to thank management and staff for their timely cooperation and assistance during this audit. The distribution of this report is reserved for the executive management of Fulton County and the Board of Commissioners.