



FULTON COUNTY, GEORGIA
OFFICE OF THE COUNTY AUDITOR
Treasury Gift Card Audit
September 30, 2026

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INTRODUCTION

In accordance with the 2026 approved Audit Plan, the Office of the County Auditor performed an audit of the Treasury Gift Card Program administered by the Finance Department's Office of Treasury. This audit was conducted as required by the *Treasury Gift Card Policies and Procedures*.

BACKGROUND

The Finance Department's Office of Treasury ("Treasury") manages the Treasury Gift Card Program and is responsible for procuring, safeguarding, and distributing prepaid gift cards to all Fulton County programs. The program allows Fulton County departments to obtain prepaid VISA gift cards in denominations of \$25, \$50, \$75, \$100, \$200, and \$500. The purpose of the gift cards is to serve as incentives for participation in County-sponsored award and reward ceremonies. During our review, we determined that more than \$43,000 in gift cards were distributed across fourteen (14) programs. These requests were submitted by ten (10) departments participating in the Treasury Gift Card Program. The departments are listed below:

The Department of External Affairs provides gift cards for the following:

- "Fulton - One County United in Service" (F.O.C.U.S) awards. The F.O.C.U.S. program recognizes employees of Fulton County Government for their exemplary service. Any employee of Fulton County may nominate another employee for recognition in one (1) of ten (10) possible categories. The award categories are as follows:
 - Customer Service
 - Impact
 - Efficiency
 - Helping Hands
 - Technology Trailblazer
 - The Above and Beyond Workers
 - Safety is Our Business
 - Innovation and Ideas
 - Leadership
 - Heroism

Nominations may include individual employees or teams of employees who work together. All nominations are reviewed by a countywide Nomination Review Committee, which evaluates each nomination based on award criteria. Selection for the F.O.C.U.S Award indicates that an employee has made significant contributions during their tenure with Fulton County and has had a positive impact on citizens and county operations.

The Customer Service Division oversees the Customer Service Legend of the Year Award. Each year, the Customer Service Division recognizes one employee for their exceptional service. This award was established to allow county employees, department heads, and elected officials to nominate employees for their exceptional customer service. The Customer Service Legend of the Year is announced and recognized during Customer Service Week.

The Department of Public Works Water Resources Division sponsored the following events:

- Model Water Tower Competition: Fulton County students design and build a model water tower. The competition was held at Tom Lowe Atlanta – Fulton County Water Treatment Plant.
- Art Calendar Contest: Fulton County students in grades K-12 are encouraged to participate by creating artwork that promotes better water quality and water conservation practices to assist in positive environmental awareness. The art from the contest is featured in the annual Water Art Calendar.
- Recycled Art Program Contest: Participants create and submit original artwork using recycled items.

The Department of Human Resource Management hosted the following events:

- Spades Tournament: Employees participated in a spades tournament, and gift cards were provided to the winner of the tournament.
- Best Hand Walk/Run Race: Departments participated in a walk/run competition for the best hand. Gift Cards were provided to the winners of the competition.

Fulton County District Attorney held a mock trial competition for summer interns and an Employee Appreciation event. Gift Cards were awarded to participants.

Fulton County Sheriff held an Employee Engagement Awards Program to recognize the Sheriff's Office employees. Gift Cards were awarded to program recipients.

Department of Arts and Culture held a National Arts Program Exhibit at Fulton County for artists to participate and display their artwork. Gift cards were awarded to the winning participants.

Fulton County Housing and Community Development utilized gift cards for the following:

- Point In Time Count (PITC), which is a HUD required activity to count homeless individuals in the GA-502 Continuum of Care jurisdiction on a single day in January. The gift cards were distributed to volunteers with experience of homelessness, to assist with the PITC.
- Transportation Assistance for the Youth Action Board to attend meetings, provide outreach, and conduct site visits.

Fulton County Commission District 3 participated in the Fulton County Juvenile Court National Adoption Day. Gift Cards were distributed to the adoptive families.

Fulton County Commission District 4 hosted Super Senior Bingo and other community engagement activities. Gift Cards were awarded to winning participants.

OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of the existing policies and procedures related to the procurement and distribution of gift cards and to determine the adequacy of controls over the departmental operating procedures to ensure compliance with the Treasury Gift Card Procedures.

SCOPE

The scope of this audit was from January 1, 2025, through December 31, 2025.

METHODOLOGY

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.

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

- Conducted interviews with key staff to determine the established processes and procedures;
- Performed walkthroughs to observe key processes and internal controls related to gift card distribution and safeguarding of gift cards;
- Reviewed the Treasury Gift Card Standard Operating Procedures;
- Reviewed Fulton County Departmental Gift Card Standard Operating Procedures;
- Performed a hand count of gift card inventory on hand within the Treasury office;
- Reviewed US Bank Gift Card Order Requests;
- Reviewed Gift Card Request Forms;
- Reviewed the Gift Card Inventory Log;
- Reviewed Gift Card Reconciliation Forms; and
- Reviewed Asset Management System (AMS) Cash Receipt Forms

We believe that the evidence obtained provides a reasonable basis for our findings and recommendations based on our audit objectives. Our findings and recommendations are detailed below.

FINDINGS AND RECOMMENDATIONS**Finding 1 – Discrepancies in Gift Card Denomination Amounts**

Gift card order confirmations should accurately reflect the quantities and denominations of gift cards purchased. Additionally, financial and delivery confirmation documentation should be maintained to ensure complete and accurate order processing and delivery.

During the audit, we reviewed gift card order confirmations received from US Bank to verify the accuracy of gift cards ordered and received. We identified two (2) instances in which a discrepancy was apparent between the denominations ordered and the total amounts reflected on the order confirmations. In one instance, the order confirmation reflected a total gift card value of \$550.00; however, the supporting documentation showed four (4) cards with a denomination of \$50.00 each and three (3) cards with a denomination of \$100.00 each, totaling \$500.00. This resulted in an overstatement of \$50.00. We noted another instance in which the confirmation reflects a total denomination amount of \$3,900; however, the supporting documentation showed nineteen (19) cards with a denomination of \$100.00 each and five (5) cards with a denomination of \$200.00 each, totaling \$2,900. This resulted in an overstatement of \$1,000. Additionally, delivery confirmation documentation was not available to confirm if the correct quantities and denominations of gift cards were delivered to Treasury. There are no documented procedures for the delivery or tracking of gift cards. Currently, the only documented tracking occurs when they are recorded in the gift card log when received.

Per the department, US Bank recently updated its system, which resulted in difficulties obtaining technical support and additional documentation, such as tracking and delivery confirmations. Failure to reconcile purchase orders or requests, invoices or order confirmations, and receiving documentation to verify the accuracy and completeness of purchases and receipts may result in missing or incorrect items, incorrect charges, incomplete or inaccurate inventory records, and an increased risk of unauthorized activity.

Recommendation

We recommend that Treasury review order confirmations for accuracy and implement documented procedures for verifying order details, including gift card denominations, before authorizing payment. Treasury should also establish a verification process to confirm that the quantities and denominations of gift cards received match the approved order.

Finding 2 – Missing Departmental Reconciliation Forms

Pursuant to the Gift Card Policy, Departments are required to prepare and submit gift card reconciliations to ensure the proper handling and distribution of gift cards and to comply with policies and procedures. We determined that nine (9) of the fourteen (14) programs reviewed (64%) did not submit the required gift card reconciliations to Treasury after completion of the event. As a result, we were unable to verify the accuracy and completeness of the specific gift card activity for those programs.

The lack of required department reconciliations limits the ability to verify gift card activity, may result in inadequate inventory records, and may increase the risk of loss and misuse of gift cards. It also limits Treasury's ability to ensure compliance with established internal control standards.

Recommendation

We recommend that Treasury reinforce reconciliation requirements and implement procedures to ensure departments submit the required reconciliations in a timely manner following completion of the event or program.

Finding 3 – Expired Gift Cards Included in Active Inventory

According to best practices, expired, inactive, or invalid cards must be removed from active inventory and documented separately to ensure accurate reporting and appropriate internal control over assets. Our review of gift card inventory identified \$5,500 in expired gift cards still recorded in inventory. These gift cards were included in inventory counts even though they were no longer valid for use or distribution. Additionally, we noted that Treasury has not established procedures for handling, documenting, or disposing of expired gift cards.

Including expired gift cards in inventory may result in an overstated inventory balance, inaccurate inventory records, and may weaken Treasury's ability to effectively monitor and manage gift card inventory.

Recommendation

We recommend that Treasury implement written procedures to identify, track, and dispose of expired or inactive gift cards. Additionally, we recommend routine reviews to identify expired or expiring gift cards, update inventory records to ensure accuracy, and maintain effective control over gift cards.

Finding 4 – Outdated Standard Operating Procedures

Best Practices indicate that periodic reviews of departmental policies and procedures should be performed to ensure efficiency, accuracy, and compliance with current operations.

During our review, we noted that documented procedures did not reflect current practices. Specifically, written procedures were not updated to reflect the current process of sending ACH payments to US Bank for gift card orders. Outdated procedures may hinder performance and productivity, increase errors, and decrease the effectiveness of internal controls.

Recommendation

We recommend that Treasury update its written procedures to accurately reflect current practices and provide staff training to ensure consistent application of the updated procedures. Additionally, we recommend that Treasury periodically review and update procedures, as necessary, to reflect operational changes, strengthen internal controls, and maintain compliance with established policies and procedures.

CONCLUSION

Based on the audit performed, we have identified the following four (4) findings that require the attention of management:

- Discrepancies in Gift Card denomination amounts
- Missing Departmental Reconciliation Forms
- Expired Gift Cards Included in Active Inventory
- Outdated Standard Operating Procedures

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 to Shauna Herbert, Audit Manager, in the Office of the County Auditor at shauna.herbert@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.