

Report No. AR-2021-002-OIIA  
March 2021

**OFFICE OF INDEPENDENT INTERNAL AUDIT**

**Annual Report for 2020**

**DEKALB COUNTY GOVERNMENT**



John L. Greene, CIA, CIG, CGAP, CGFM  
Chief Audit Executive

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John Greene  
Chief Audit Executive

OFFICE OF INDEPENDENT INTERNAL AUDIT  
2020 ANNUAL REPORT

**CHIEF AUDIT EXECUTIVE SUMMARY**

I am pleased to submit the Annual Report of the Office of Independent Internal Audit (OIIA) for the period from January 1, 2020, to December 31, 2020, as required by the DeKalb County Internal Audit Code Section 10A(j)(6) to highlight the major work efforts and activities of the OIIA in 2020. Our team worked hard to meet our mission to provide an independent, objective, insightful, nonpartisan assessment of the stewardship or performance of policies, programs, and operations in promoting efficiency, effectiveness, and integrity in DeKalb County. The value and services of the OIIA can never be fully reflected in the annual report.

The OIIA issued five audit reports with twenty-four findings and recommendations. We coordinated and monitored the external auditing services performed by Mauldin and Jenkins, LLC. In addition, we completed four follow-up reports on corrective action and twenty-four contract reviews totaling \$284,016,351. The Office's internal quality control and assurance program is ongoing and includes continuous supervision and internal reviews of audit work to ensure accuracy and compliance with standards and internal policies and procedures.

We remain committed to our work to promote our vision to provide excellence in our products and services as we promote positive change throughout DeKalb County with an inspired team that strives for continuous improvement. Thank you for your continued support and cooperation.

Sincerely,

*John L. Greene*

John Greene, CIA, CIG, CGAP, CGFM  
Chief Audit Executive

March 12, 2021

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## **INTRODUCTION**

The Office of Independent Internal Audit<sup>1</sup> was established in accordance with House Bill 599 (2015 Ga. Laws 3826), enacted by the Georgia General Assembly signed into law on May 12, 2015<sup>2</sup>. The OIIA consists of the Chief Audit Executive (CAE) and those assistants, employees and personnel as deemed necessary by the CAE for the efficient and effective administration of the affairs of the office, and over whom the CAE will have the sole authority to appoint, employ and remove.

The OIIA is completely independent and is not subject to control or supervision by the Chief Executive Officer, the Commission, or any other official, employee, department, or agency of the County government. The position of the CAE is nonpartisan.

An Audit Oversight Committee (AOC) was established per House Bill 599 (2015 Ga. Laws 3826) incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. The AOC consist of five voting members. The committee:

- Ensures the independence of the OIIA.
- Selects no fewer than two or more three nominees for the position of CAE for approval by the DeKalb Board of Commissioners.
- Provides suggestions and comments for the annual audit plan.
- Proposes the internal audit budget and recommend the budget to the DeKalb County Board of Commissioners for approval.
- Receives communications from the CAE on the internal audit activity's performance relative to its plan and other matters.
- Provides general oversight and guidance.
- Consults with CAE on technical issues.
- Coordinates with contracted audit efforts and other consulting engagements.

## **DUTIES AND RESPONSIBILITIES**

The OIIA is responsible for conducting financial and performance audits of all departments, offices, boards, activities, agencies, and programs of the County independently and objectively to determine whether:

- (1) Activities and programs being implemented have been authorized by 2015 Ga. Law 3826, other Georgia law, or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws.
- (2) The department, office, board, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, and space, economically, efficiently, effectively, and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation.

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<sup>1</sup> Office of Independent Internal Audit referenced herein refers to the Office of Internal Audit as documented in House Bill 599 (2015 Ga. Laws 3826)

<sup>2</sup> Incorporated into *DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit*.

**OFFICE OF INDEPENDENT INTERNAL AUDIT  
DEKALB COUNTY GOVERNMENT  
ANNUAL REPORT FOR 2020**

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- (3) The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices.
- (4) The desired results or benefits are being achieved.
- (5) Financial and other reports are being provided that disclose fairly, accurately, and fully all information required by law, to ascertain the nature and scope of programs and activities, and to establish a proper basis for evaluating the programs and activities including the collection of, accounting for, and depositing of, revenues and other resources.
- (6) Management has established adequate operating and administrative procedures and practices, systems or accounting internal control systems, and internal management controls.
- (7) Indications of fraud, abuse, or illegal acts are valid and need further investigation.

In addition, the OIIA:

- Coordinates and monitors auditing performed by certified public accounting firms or other organizations employed under contract by the governing authority to assist with audit-related activities.
- Participates with the AOC in the selection of the external audit firm.
- Follows up on audit recommendations to monitor the status of corrective action.

### **AUDIT OVERSIGHT COMMITTEE**

The AOC consists of five (5) voting members. All members of the AOC shall be residents of DeKalb County, have expertise in performance auditing, and have a minimum of five (5) years' experience as a Certified Public Accountant, a Certified Internal Auditor, a Certified Performance Auditor, a Certified Management Accountant, or ten (10) years of other relevant professional experience. The AOC was made up of the following members as of December 31, 2020, as detailed below:

<b>Members</b>	<b>Appointing Authority</b>	<b>Term</b>	<b>End Date</b>
Harmel Codi, Chairperson	Chairman of the DeKalb Delegation to the State Senate	5 Years	December 31, 2020
Adrienne McMillon, Vice-Chairperson	Chairman of the DeKalb Delegation to the State House	5 Years	December 31, 2022
Claire Cousins, Chairperson Pro-tem	Board of Commissioners, DeKalb County	5 Years	December 31, 2021
Lisa Earls	Chief Executive Officer, DeKalb County	5 Years	December 31, 2023
Harold Smith, Jr.	Board of Commissioners, DeKalb County	5 Years	December 31, 2024

## OFFICE OF INDEPENDENT INTERNAL AUDIT MISSION, VISIONS, AND VALUES

### Mission Statement (why we exist and what we do)

Our purpose (why we exist) is to provide independent, objective, insightful, nonpartisan assessment of the stewardship or performance of policies, programs, and operations in promoting efficiency, effectiveness, and integrity in DeKalb County.

Our promise (what we do) is to accomplish this through financial audits, performance audits, inquiries, investigations, and reviews.

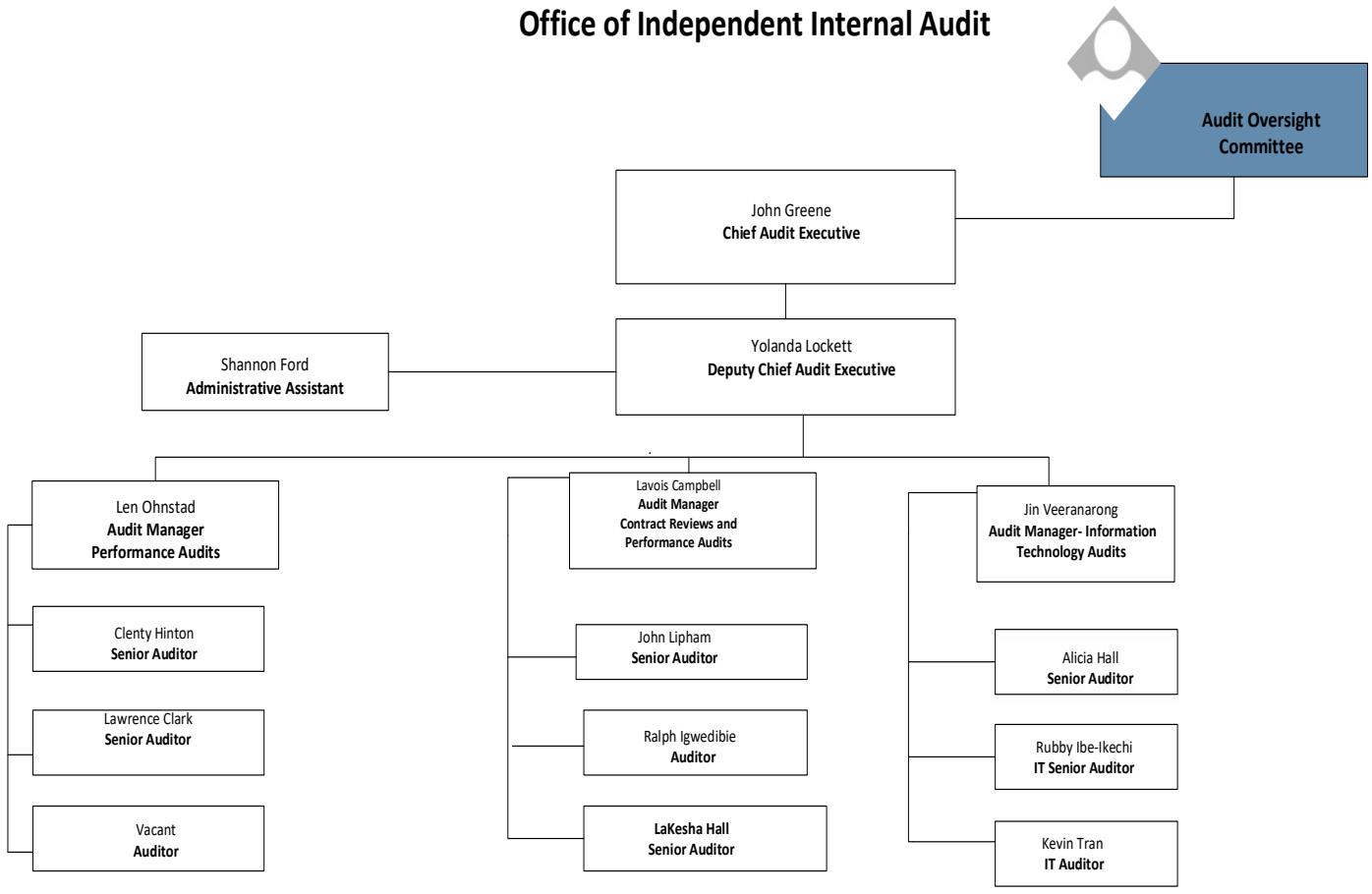
### Vision Statement (where we are going)

Excellence in our products and services as we promote positive change throughout DeKalb County with an inspired team that strives for continuous improvement.



**OFFICE OF INDEPENDENT INTERNAL AUDIT ORGANIZATION AND STAFF**

The CAE reports to the AOC as established by Georgia State Law via DeKalb County Code of Ordinances and the OIIA has unrestricted access to employees, information, and records including electronic data within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts, and methods of business required to conduct an audit or otherwise perform audit duties. The OIIA currently consists of 14 professional positions and one administrative assistant as detailed below:



**SUMMARY OF ACTIVITIES**

The following paragraphs contain summaries of the various activities completed in 2020. The material contained in this section of the report was extracted from reports issued by the OIIA and only discloses essential information.

**AUDIT ACTIVITIES**

**PURCHASING & CONTRACTING DEPARTMENT LOCAL SMALL BUSINESS ENTERPRISE (LSBE) PROGRAM AUDIT REPORT NO. 2017-020-PC**

We evaluated participation and oversight of the program administered by the Purchasing and Contracting (P&C) Department. We also reviewed the “Standards for Internal Control” in the



Federal Government Green Book (United States Government Accountability Office), the Institute of Internal Auditors' Global Technology Audit Guide (GTAG-9, "Identity and Access Management") and the United States Small Business Administration, as additional criteria in identifying best practices to strengthen the effectiveness and efficiency of the LSBE Program.

Based on the results of our audit, we determined P&C complied with some of the requirements of the LSBE ordinances in the areas such as preparation of the required LSBE vendor listing, quarterly seminars and workshops on how to do business with DeKalb County, and reports to confirm attendance of the mandatory LSBE meetings. Although we observed areas of compliance, we noted noncompliance with the ordinances in the following key areas:

- LSBE standard operating procedures to administer the modified 2016 LSBE program were still in draft form, as of report date.
- Consistent and adequate monitoring procedures were not implemented for the program.
- P&C management had not submitted the required semi-annual reports to senior management and the Board of Commissioners (BOC), as of report date.
- Semi-annual LSBE reports prepared by P&C management did not contain key data as required by the LSBE ordinance.
- Approved certification and recertification vendor applications were missing required documentation such as financial and tax information, citizenship verification, and conflict of interest statement.
- Initial certification letters and tax returns required to confirm continued eligibility or graduation from the LSBE program were missing from the files.
- Monthly reporting and supporting documents to verify that both prime contractors and LSBE firms complied with their responsibilities established by LSBE ordinance were missing from the files.
- Adequate documentation to confirm encouragement or enforcement, where applicable, of the mentor-protégé initiative for prime contractors, awarded contracts over \$5 million dollars was missing from the files.

In addition, we identified the following risk areas:

- All users were granted administrative access to the DeKalb LINKS - Software used to manage the LSBE program.
- Incomplete prime contractor profile information was in the DeKalb LINKS software; pertinent data fields left blank or filled with a description, such as 'John Doe'.

We recommend that P&C management:

- Finalize and implement the written standard operating procedures for the proper administration of the LSBE program in a timely manner.
- Develop and implement controls to provide proper program oversight and monitoring.
- Submit timelier LSBE program reports to senior management and the BOC for their review.
- Implement standard operating procedures to ensure vendor files are maintained and include appropriate documentation to support the LSBE program certification/recertification eligibility.

- Implement standard operating procedures to ensure that only eligible firms remain in the program as it relates to the LSBE graduation requirements.
- Develop and implement standard operating procedures that detail the staff's responsibilities to ensure the fulfillment of all contract compliance components, as required in the ordinance that is in effect.
- Implement procedures for the LSBE mentor-protégé initiative requirement.
- Amend contracts and/or ensure future contracts with the service providers include the requirements of the appropriate security controls and obtain independent verification of the adequacy of security controls.
- Implement operating procedures to ensure that the prime contractor's profiles in DeKalb LINKS software are accurate and complete.

**DEPARTMENT OF PUBLIC SAFETY AUDIT OF ANIMAL ENFORCEMENT  
REPORT NO. 2018-003-PSAE**

We conducted a performance audit to assess whether the DeKalb County Animal Enforcement Division (Animal Enforcement) implemented corrective action to address the deficiencies outlined in the audit report by the Finance Department's Internal Audit Division (IA's August 2017), ***"DeKalb Police Department Animal Services an Enforcement Compliance Review"***, dated August 14, 2017. This report evaluated the operating effectiveness of the program. We examined their processes and Standard Operating Procedures (SOP's) to identify opportunities for improvement and verify compliance with DeKalb County's (County's) Code of Ordinances Chapter 5-Animals.

We interviewed Animal Enforcement staff, performed walkthroughs of the dispatch, citation, and Georgia Open Records Act (ORA) processes, and participated in a ride-along with an animal control officer (officer). Additionally, we interviewed staff and management and examined supporting documentation related to training, bite cases, citations, and ORA request transactions to identify opportunities to strengthen the effectiveness and efficiency of Animal Enforcement processes.

As a result of this performance audit of Animal Enforcement, we determined that Animal Enforcement had not implemented many of the recommendations cited during the previous audit. Management noted that the main reason for this was the significant staff turnover and limited resources. In addition, we identified control deficiencies and instances of noncompliance with County ordinances and Georgia law regarding animal control. We also noted that management has begun addressing many of the issues listed below:

- Standard operating procedures were not current.
- Training procedures for Animal Control Officers need improvement.
- Some officers have not completed training for chemical immobilization.
- Records were not maintained for dangerous animal registrations.
- PetPoint system (System) was not always updated with the court's dispositions for animal incidents.

We recommend that Animal Enforcement management develop and implement the following processes and procedures to strengthen compliance with the

County's animal ordinances, as summarized below:

- Update SOP's to be consistent with the County's current procedures. In addition, include a checklist in the SOP manual of the documents required for all types of cases.
- Implement continuous and ongoing training for staff regarding SOP's and require documented acknowledgment of their understanding of the procedures.
- Update SOP's to ensure they are consistent with current County ordinances, policies and procedures, and State laws and implement procedures to ensure SOP's remain current.
- Implement procedures to help ensure all training records are retained in each officer's file.
- Implement procedures to help ensure Animal Enforcement staff is properly trained and continue this training to maintain competency and certification requirements and ensure proper documentation is included in the files for all chemical immobilizations.
- Develop and implement written chemical immobilization policies and procedures regarding proper recording and reporting of dart inventory and usage, handling of drug-administering equipment, animal handling, and post-capture care and monitoring.
- Establish policies and controls over the release of darts provided by the veterinarian at the shelter.
- Implement procedures to help ensure officers remain certified in the use of chemicals.
- Implement procedures to help ensure proper documentation is included in the files for all actions performed pertaining to the chemical immobilization of an animal.
- Implement procedures to help ensure a log is maintained to record and track dangerous animal cases.
- Create a checklist to ensure case files are complete with all the documents required for registering a dangerous animal.
- Determine if the System has the functionality to track and store dangerous animal documents. If not, invest in a software system that can track enforcement cases, such as dangerous animal cases.
- Implement procedures to help ensure information regarding case disposition and follow-up is updated in the System.

**WORKSOURCE DEKALB-ADULT AND DISLOCATED PROGRAM GRANTS  
REPORT NO. 2017-019-WSD**

We examined documentation of the programs from January 1, 2015, to December 31, 2017, to:

- Determine if WorkSource complied with the provisions of the grant agreement and guidelines and Georgia's Workforce Policies and Procedures as they relate to a participant's eligibility and completion of the programs.
- Identify opportunities to strengthen the effectiveness and efficiency of the eligibility process.

For the audit period, we found general eligibility documentation, such as proof of identification, DeKalb county residency status, U.S. citizenship or authorization to work in the U.S., selective service registration or an allowable exemption, and veteran status were in the participants' case files.

In addition, we noted that there were opportunities for improvement in areas such as documenting WorkSource's assessment of a participant's need for training services that will lead to self-sufficiency. These areas include ensuring only eligible participants receive training services and confirming that the required documentation is in the participant's case file. We observed the following:

- Forty-seven percent (8 of 17) of the participants' household income exceeded the income eligibility guidelines.
- Twenty-nine percent (5 of 17) of the participants did not live in DeKalb County.
- Ten percent (1 of 11 for the WIA<sup>3</sup> program and 1 of 10 for the WIOA<sup>4</sup> program) of dislocated worker program participants were employed before entering the WIA/WIOA program and their current employment earnings were greater than 85 percent of their earnings from the previous employer.
- Thirty-six percent (15 of 42) of the files did not have the participant's training program attendance record.
- Seventy-five percent (6 of 8) of the files did not have the participant's On-the-Job Training contracts.
- Eighteen percent (2 of 11) of the files did not contain the Complaints and Grievance forms as required by Federal regulations.
- Thirty-six percent (25 of 70) of the files contained required forms that had not been signed by the participant.
- Thirty-five percent (22 of 63) of the files contained incomplete quality review checklists.

During the audit we noted that the director and staff had proactively begun making improvements to the policies, procedures, file maintenance, and internal quality reviews to ensure compliance with state and federal requirements. We anticipate being able to close these findings during our follow-up process.

We recommend that WorkSource management develop and implement policies and procedures to ensure all participants meet the established eligibility criteria.

In addition, we recommend that management update and implement additional policies and procedures regarding the maintenance of participant files. These procedures should include the following:

- Specific documentation to support decisions made regarding training.
- Listing of all forms to be maintained and signed.
- Guidelines to ensure completion of quality reviews.

**HUMAN RESOURCES & MERIT SYSTEM DEPARTMENT AUDIT OF EMPLOYEE  
FILE MANAGEMENT PROCESS AUDIT REPORT NO. 2018-006-HRMS**

We conducted a performance audit of the employee file management process within DeKalb County's (County) Human Resources and Merit System (HRMS) Department. The audit period was January 1, 2017, through December 31, 2018.

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<sup>3</sup> WIA stands for the Workforce Investment Act of 1998. See page 5, of this document, for addition information.

<sup>4</sup> WIOA stands for the Workforce Innovation and Opportunity Act of 2014. See page 5, of this document, for additional information.

The objectives of the audit were to assess the controls, policies, and procedures in place related to employee files, and to identify opportunities to strengthen the effectiveness and efficiency of the processes for maintaining employee files.

To accomplish the audit objectives, we interviewed HRMS staff and reviewed the HRMS department's policies and procedures to ensure proper controls were in place for the management and maintenance of employee files. In addition, we examined files and records to ensure that they were managed consistently and in compliance with policies and procedures and applicable laws.

We found that HRMS management and maintenance procedures need improvement in the following areas:

- Files included sensitive and private employee information.
- Incomplete and outdated versions of forms.
- Missing new hire forms.
- Documents and forms in the wrong file.
- Check-out logs used to manage file security were not always completed.
- Check-out procedures were not always performed.
- Check-out logs were not reviewed periodically to ensure compliance with policies and procedures.
- Documentation to support retention and disposal of employee records did not exist.

In addition, with the exception of one employee who had HIPAA training in 2003, we were not able to identify any evidence of training for HRMS employees regarding employee file management and maintenance.

We recommend that HRMS Management:

- Update the policies and procedures to include the following:
  - Required documentation for the employee general files.
  - Copies of standard forms and templates to be used.
  - Procedures to ensure receipt of all documents from County departments.
  - Compliance with all applicable privacy laws and regulations.
  - File security, record retention, and disposal of files.
- Implement additional training to its staff regarding these updated procedures.
- Implement monitoring procedures to help ensure compliance with updated policies and procedures.
- Implement periodic training related to regulations and guidelines for managing employee information and records.
- Maintain evidence that employees have attended the training.
- Document acknowledgment of County departmental administrative and HRMS staffs' understanding of the requirements for handling employee files.

**SAFETY-SENSITIVE EMPLOYEE (DOT AND NON-DOT) COMPLIANCE  
AUDIT REPORT NO. 2017-009-HRMS**

We conducted an audit of DeKalb County's (County) safety-sensitive employee process. The objectives of the audit were to assess the County's compliance with key requirements of the United States Department of Transportation Title 49 Code of Federal Regulations (DOT regulations) and compliance with relevant County policies and procedures.

The audit began with a client kickoff meeting on July 3, 2017, and the engagement letter was issued on October 26, 2017, once the planning was completed. The initial audit period focused on transactions from January 1, 2016, through July 31, 2017. However, to accommodate process changes implemented by management in the evaluation, the audit period was expanded to December 31, 2018.

To achieve the audit objectives, we interviewed personnel from the Human Resources Department (HR) and various other user departments (UDs). We also reviewed available supporting documentation.

We found that the County has a program in place to help ensure compliance with DOT regulations and County policies and procedures. However, we found some areas that require improvement:

- Positions were not classified consistently with the criteria provided.
- Annual drug and alcohol testing documentation was not maintained.
- Drug and alcohol testing was not completed for some safety-sensitive employees.
- Key requirements were not completed for safety-sensitive employees who tested positive for drugs or alcohol.
- Medical certifications were not renewed timely.
- Applicants who did not pass the pre-employment drug and alcohol testing were hired for safety-sensitive positions.

We recommend that HR management:

- Work with the UD's to review the classifications for all positions with the duties performed by the positions to ensure that they have appropriately applied the criteria for safety-sensitive classification. In addition, HR management should update its procedures for classifying safety-sensitive positions to include the following:
  - Benchmarking of County positions with other government organizations.
  - A second review of the consultant's and the UD's assessment and recommendations.
- Implement procedures for maintaining, for at least two years, documentation to demonstrate that their random testing and selection process is compliant with DOT regulations.
- Work with the UD's to develop and implement procedures to help ensure notified employees' complete drug and alcohol testing timely.
- Implement procedures to help ensure compliance with the key requirements for employees who test positive on random drug and alcohol testing.



- Implement procedures to help ensure documentation for employees with positive drug and alcohol testing results is maintained for at least five years to facilitate compliance with DOT regulations part 40.333 and 382.401.
- Work with the UDs to review the current procedures to help ensure DOT safety-sensitive employees complete their Medical Certification (MC) renewal before it expires.
- Work with the UDs to help ensure compliance with DOT regulations and County policies and procedures to help ensure applicants are not employed in safety-sensitive positions until the County verifies that they pass pre- employment drug and alcohol testing.

## **COORDINATION WITH EXTERNAL AUDITOR**

During 2020, the OIIA coordinated and monitored the external auditing services performed by Mauldin and Jenkins, LLC (M&J) under their contract. M&J provided an independent audit of the DeKalb County, Georgia financial statements and DeKalb County, Georgia Single Audit Reports for the year ended December 31, 2019.

## **ROUTINE AUDIT ACTIVITIES**

## **FOLLOW- UP REPORTS ON CORRECTIVE ACTION TAKEN IN RESPONSE TO OIIA AUDITS**

As required by DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A-Independent Internal Audit (I), the Office of Independent Internal Audit conducts a review on the status of corrective action taken by DeKalb County management in response to the recommendations made by the OIIA. During this calendar year, the OIIA issued the following status reports on recommendations:

[Recreation, Parks & Cultural Affairs Audit of Cash Handling Procedures  
Audit Report Number. 2017- 011- RPCA - Audit Follow-up Report issued on March  
16, 2020](#)

[Watershed Management-Collection Services Unit Audit of Temporary Personnel  
Services Contract, Audit Report Number. 2017-013-WMCS - Audit Follow-up Report  
issued on April 23, 2020](#)

[Finance-Utility Customer Operations Audit of Temporary Personnel Services  
Contract, Audit Report Number. 2017-013-UCO - Audit Follow-up Report issued on  
April 25, 2020-Revised](#)

[Audit of Sewer Cleaning Contracts 971933, 971934, and 971935, Audit Report  
Number 2018-010-WM - Audit Follow-up Report issued on November 6, 2020](#)

## **PREVIOUSLY REPORTED AUDIT FINDINGS**

OIIA Audit Report Findings reported in prior annual reports that remain open are outlined in Appendix I.

## ANNUAL RISK ASSESSMENT AND AUDIT PLANNING

As required by House Bill 599 (2015 Ga. Laws 3826), enacted by the Georgia General Assembly signed into law on May 12, 2015, the Office conducted a risk assessment to use as a basis for preparing the annual audit plan. A chart of potential auditable areas was identified from attending various management and Board meetings and used to formulate a listing into a Draft Think Sheet of Potential Audits (Think Sheet) and provided it to the OIIA Audit Managers who solicited other potential audit topics from their staff members. The results of current risk events, previous audits, management reviews, and investigations performed during the current and prior years identified areas for potential improvement in the County operations and this was used to draft a work plan. The work plan was presented to the Audit Oversight Committee for approval.

## THE IMPACT OF COVID-19

The COVID-19 pandemic has had a significant impact on businesses and our way of life. It has forced us to rethink our priorities and adapt to new ways of getting things done effectively. Government and Internal Audit is no exception. Now more than ever, as the “third line of defense,” Internal Audit must continue to fulfill its mandate to provide stakeholders with comprehensive assurance based on the highest level of independence and objectivity within the organization. However, internal audit focuses not only on the organization but also on ensuring that its service remains practical and delivers credible, valuable, and reliable results. In response to COVID-19, the Office of Independent Internal Audit (OIIA) implemented procedures to provide the expected level of service demanded by our stakeholders. Some of COVID-19’s impacts and OIIA’s responses included:

### **Change in Service Delivery**

In response to the COVID-19 statewide lockdown, the OIIA had to quickly shift its entire operations online with minimal impact on our service quality. The County already had the infrastructure in place to respond, and OIIA was well accustomed to working remotely as necessary. All meetings and client engagement were now conducted remotely using phone, ZOOM, and audit evidence were obtained, where possible, electronically. Alternate audit tests were also developed to meet our engagement objectives.

### **Budget Reduction**

COVID-19 reduced the available financial resources of the County. As a true partner to the County, the OIIA reduced its operating budget by 5% by volunteering to relinquish a vacant full-time employee position so that funds could be allocated to other essential services.

### **Rapidly Changing Risks**

Internal auditors are required to regularly reassess risks and adjust our audit plan as necessary to ensure maximum value and effectiveness. In response to COVID-19, OIIA reevaluated its 2020 risk assessment and revised its 2020 audit plan to address the changing risk profile and priorities. At least two audits were postponed to accommodate challenges faced by clients. Not only were audits delayed, but resources were also reallocated to provide audit services for new and emerging risk areas. Cybersecurity was a persistent threat before COVID-19 and increasingly so



as working remotely became the norm. In response, OIIA implemented a renewed focus on an audit of the County's cybersecurity governance processes.

### **The Human Impact**

COVID-19 has had perhaps the most significant impact on the human factor of internal audit. Recognizing and responding to the personal impact was vital to enabling internal audit staff to contribute to the organization's and department's objectives. To better achieve our objectives, we accommodated staff on COVID-19 related leave and adjusted work schedules. To foster team spirit, we leveraged technology to participate in our annual Secret Santa gift exchange and conducted virtual team building activities. The Chief Audit Executive also performed biweekly phone check-ins with individual employees to assess their wellbeing and challenges they faced during the pandemic.

### **The Future**

The world continues to respond to COVID, but internal audit's potential contribution is enormous: providing trusted advice, independence and objectivity during the coming weeks and months when critical risks will continue to rise and change quickly,

## **NON-AUDIT ACTIVITIES**

### **CONTRACT REVIEWS**

These reviews are limited to the contract reviews requested by the BOC. Also, these reviews are limited to the pre-award supporting documentation for the respective proposed contract, renewal(s), and change order(s). These requests may involve but are not limited to the following procurement activities:

- Invitation to Bid (ITBs).
- Request for Proposals (RFPs).
- Renewals to an existing contract(s).
- Change orders to an existing contract(s).

These reviews provide the BOC with assurance of the processes performed by management in performing their procurement and contracting responsibilities. They are not intended to substitute for management's responsibilities for procurement, purchasing, and contracting. In addition, these reviews constitute non-audit services as outlined by Government Auditing Standards.

We reviewed 24 BOC agenda items totaling \$284,016,351. Our reviews generated funding reduction of \$10,120,971 and generated cost saving of \$6,027,631 for a total reduction in contracts of \$16,148,602.

### **INTERNAL QUALITY CONTROL AND ASSURANCE PROGRAM**

Professional standards require internal quality control and assurance program and monitoring procedures to assess compliance with professional standards and internal policies and procedures. The OIIA's internal quality control and assurance program is ongoing and includes continuous supervision and internal reviews of audit work to ensure accuracy and compliance with standards and internal policies and procedures. During 2020, the OIIA monitoring

procedures, supervision, and internal reviews were assessed to be operating effectively. In addition, the OIIA completed a quality assurance control review for each audit completed. In addition, the office’s internal assessment procedures confirmed that each member of the staff had met the continuing education requirements as outlined by the government auditing standards.

**TRAINING, CERTIFICATIONS, AND AFFILIATIONS**

Professional standards require the staff to be proficient, competent, and collectively possess and apply knowledge, skills, and experience when performing audit work. Additionally, auditors are required to complete Continuing Professional Education (CPE) courses related to their primary responsibilities. Our auditors adhere to the Government Auditing Standards by completing 80 CPE hours in two years, with 24 of those hours being related to government auditing. In addition, one of the Internal Audit Managers participated in a peer review assessment for the Association of Local Government Auditors as a part of the Office’s efforts to gain more knowledge on peer review requirements.

Collectively, the staff has backgrounds and experiences in a variety of disciplines in the public and private sectors. These disciplines include accounting, auditing, program evaluation, computer science, and management. Also, staff possesses professional certifications and some staff members have advanced degrees. Internal Procedure 5.03 – Continuous Development and CPE, has guidance to ensure that staff develops and maintains professional competence to perform critical job tasks effectively.

The staff demonstrates their expertise through affiliations and certifications in the following professional organizations:



Certifications/Certificate	Count
Certified Inspector General (CIG)	1
Certified Public Accountant (CPA)	2
Certified Fraud Examiner (CFE)	2
Certified Internal Auditor (CIA)	5
Chartered Professional Accountant (CPA)	1
Certified Government Audit Professional (CGAP)	2
Certified Information Systems Auditor (CISA)	3
Certified Government Financial Manager (CGFM)	1
Chartered Global Management Accountant (CGMA)	1
Certified in Risk and Information Systems Controls (CRISC)	1
PECB Certified ISO/IEC 27001 Lead Auditor	1
Certified Internal Control Auditor (CICA)	1
Certified Construction Auditor (CCA)	1
COSO Internal Control Certificate	3

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**APPENDIX I**

<b>STATUS OF OPEN AUDIT FINDINGS (as of March 4, 2021)</b>				
<b>Report Number</b>	<b>Report Title</b>	<b>Published Date</b>	<b>Finding Title</b>	<b>Status</b>
<b>Animal Shelter Post Contract Completion</b>				
2017-018-FM	Audit of Animal Shelter Post Contract Completion	6/25/18	Final Inspection Report Not Available In File.	C
2017-018-FM	Audit of Animal Shelter Post Contract Completion	6/25/18	Notice to proceed letter not prepared.	CPV
<b>Public Safety Animal Enforcement</b>				
2018-003-PSAE	Audit of Animal Enforcement	7/8/20	Standard Operating Procedures (SOP's) Were Not Current.	FND
2018-003-PSAE	Audit of Animal Enforcement	7/8/20	Training Procedures for Animal Control Officers Need Improvement.	FND
2018-003-PSAE	Audit of Animal Enforcement	7/8/20	Some Officers Have Not Completed Training for Chemical Immobilization.	FND
2018-003-PSAE	Audit of Animal Enforcement	7/8/20	Records Are Not Maintained for Dangerous Animal Registration.	FND
2018-003-PSAE	Audit of Animal Enforcement	7/8/20	PetPoint System Was Not Always Updated with Court Dispositions for Animal Incidents.	FND
<b>Finance - Utility Customer Operations</b>				
2017-012-UCO	Audit of Finance - Utility Customer Operations Temporary Personnel Services Contracts	10/19/18	Low Retention Rate Among Temporary Hires.	CPV
2017-012-UCO	Audit of Finance - Utility Customer Operations Temporary Personnel Services Contracts	10/19/18	Vendor Not Compliant with Requirement 17.	CPV
2017-012-UCO	Audit of Finance - Utility Customer Operations Temporary Personnel Services Contracts	10/19/18	Vendor Not Compliant with Requirement 18 & 19.	CPV

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<b>Report Number</b>	<b>Report Title</b>	<b>Published Date</b>	<b>Finding Title</b>	<b>Status</b>
<b>Procurement Policy Review</b>				
2017-008-PC	Procurement Policy Review	1/12/18	Several key procurement areas are not included or needs improvement in the purchasing policy.	O
<b>Emergency Contracting</b>				
2017-006-PC	Emergency Contracting	2/21/18	Use of emergency purchases as an alternative for lack of planning and risk management.	PC
2017-006-PC	Emergency Contracting	2/21/18	Emergency purchases were not ratified by the BOC.	PC
2017-006-PC	Emergency Contracting	2/21/18	Lack of compensating controls when segregation of duties are inadequate.	PC
2017-006-PC	Emergency Contracting	2/21/18	Ineffective procedures to communicate contract information prior to expiration.	PC
2017-006-PC	Emergency Contracting	2/21/18	Inconsistency between the policy and procedures manual.	PC
<b>Sole Source Contracting Process</b>				
2017-005-PC	Sole Source Contracting Process	3/21/18	Insufficient maintenance of documentation for sole source vendor request.	PC
2017-005-PC	Sole Source Contracting Process	3/21/18	Incomplete sole source vendor request application.	PC
<b>Informal and Formal Procurements</b>				
2017-007-PC	Informal and Formal Procurements	4/23/18	Inadequate quotes.	PC
2017-007-PC	Informal and Formal Procurements	4/23/18	Inconsistent policies and procedures.	PC
2017-007-PC	Informal and Formal Procurements	4/23/18	Inappropriate application of exemptions and vendor performance on expired contracts.	PC
<b>Low Bid Procurement Process</b>				
2017-004-PC	Low Bid Procurement Process	5/11/18	Insufficient documentation to verify performance of key ITB activities/ compliance with policies and procedures.	FIP

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2017-004-PC	Low Bid Procurement Process	5/11/18	The user department role and responsibilities in the bid evaluation process needs to be clarified.	FIP
<b>Purchasing and Contracting LSBE</b>				
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	Lack of Formal Operating Procedures.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	Insufficient Monitoring/Oversight of LSBE Program Services.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	Program Administration Reporting Requirements Not Fulfilled.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	LSBE Applications Certified/Certified Without Required Documentation.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	Nonconformity with LSBE Graduation Requirements.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	Lack of Documentation to Support Consistent Contract Compliance.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	No Evidence to Demonstrate Enforcement of Mentor Protégé Initiative.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	All Users Granted Administrator Rights to DeKalb LINKS Software.	FND
2017-020-PC	Audit of Local Small Business Enterprise (LSBE) Program	2/27/20	Incomplete Profile Information in DeKalb LINKS Software.	FND
<b>Recreation, Parks and Cultural Affairs</b>				
2017-011-RPCA	Audit of Cash Handling Procedures for Recreation, Parks and Cultural Affairs	10/12/18	Insufficient Documentation and Controls to Accurately Account for all Revenue Collected.	CPV
2017-011-RPCA	Audit of Cash Handling Procedures for Recreation, Parks and Cultural Affairs	10/12/18	Inadequate Security/Safeguarding of Cash Collected.	CPV

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2017-011-RPCA	Audit of Cash Handling Procedures for Recreation, Parks and Cultural Affairs	10/12/18	Discrepancies and Inadequacies in Documentation Showing Transfer of Custody of Revenue Collected.	CPV
2017-011-RPCA	Audit of Cash Handling Procedures for Recreation, Parks and Cultural Affairs	10/12/18	All Revenue is not Deposited within 24 hours of Receipt and Aquatics Revenue is not Deposited Daily.	CPV
2017-011-RPCA	Audit of Cash Handling Procedures for Recreation, Parks and Cultural Affairs	10/12/18	Lack of Segregation of Duties.	CPV
2017-011-RPCA	Audit of Cash Handling Procedures for Recreation, Parks and Cultural Affairs	10/12/18	Inadequate Management Oversight /Monitoring.	CPV
<b>Sanitation</b>				
2017-012-SAN	Audit of Other Professional Services	11/20/18	Lack of Written Standard Operating Procedures.	FIP
2017-012-SAN	Audit of Other Professional Services	11/20/18	Noncompliance with the County Procurement Policy.	FIP
2017-012-SAN	Audit of Other Professional Services	11/20/18	Inadequate Segregation of Duties within the Sanitation's Purchasing Cycle.	FIP
2017-012-SAN	Audit of Other Professional Services	11/20/18	Insufficient Documentation to Support Goods and Services Received.	FIP
2017-012-SAN	Audit of Other Professional Services	11/20/18	Classifying Expenditures Incorrectly as Ops.	FIP
<b>Watershed Management</b>				
2017-013-WMCS	Audit of Temporary Personnel Services Contract	11/1/18	Vendor Not Compliant with Requirements 17 & 18 of Contract.	CPV
2018-010-WM	Audit of Sewer Cleaning Contracts 971933, 971934, and 971935	1/23/19	Contract Award Procedures.	CPV



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2018-010-WM	Audit of Sewer Cleaning Contracts 971933, 971934, and 971935	1/23/19	Contract Administration Procedures.	CPV
<b>Department of Innovation and Technology (DoIT)</b>				
2018-007-IT	Audit of Data Center Physical Security	8/13/2019	<b>Confidential Audit.</b>	FIP
<b>Worksource DeKalb</b>				
2017-019-WSD	Adult and Dislocated Program Grants	9/9/20	Participants Received Training Services That Did Not Meet Eligibility Requirements' Criteria.	FND
2017-019-WSD	Adult and Dislocated Program Grants	9/9/20	Maintenance of Program Participant Files Need Improvement.	FND
<b>Human Resources and Merit System – Employee File Management System</b>				
2018-006-HRMS	Audit of Employee File Management Process	9/24/20	Employee File Management and Maintenance Procedures Need Improvement.	FND
2018-006-HRMS	Audit of Employee File Management Process	9/24/20	Employee File Management and Maintenance Training Not Performed.	FND
<b>Human Resources Merit System – Safety Sensitive Employee Compliance</b>				
2017-009-HRMS	Safety Sensitive Employee Compliance Audit	10/8/20	Positions Were Not Classified Consistently with Criteria Provided.	FND
2017-009-HRMS	Safety Sensitive Employee Compliance Audit	10/8/20	Annual Drug and Alcohol Testing Documentation Was Not Maintained.	FND
2017-009-HRMS	Safety Sensitive Employee Compliance Audit	10/8/20	Drug and Alcohol Testing Was Not Completed for Some Safety-Sensitive Employees.	FND
2017-009-HRMS	Safety Sensitive Employee Compliance Audit	10/8/20	Key Requirements Were Not Completed for Safety-Sensitive Employees Who Tested Positive for Drugs or Alcohol.	FND

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2017-009- HRMS	Safety Sensitive Employee Compliance Audit	10/8/20	Medical Certifications Were Not Renewed Timely.	FND
2017-009- HRMS	Safety Sensitive Employee Compliance Audit	10/8/20	Applicants Who Did Not Pass the Pre-employment Drug and Alcohol Testing Were Hired for Safety-Sensitive Positions.	FND

**O = Open, MAR = Management Assumed Risk  
PC = Partially Complete  
CPV = Complete Pending Verification by OIIA  
C = Closed, FIP= Follow-up in Process  
FND= Follow-up Not Due**



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