

Probate Court Response to Audit of Cash Management Procedures November 7, 2017

In response to the Internal Audit of Cash Management Procedures in the Probate Court, the following Response is submitted:

Finding 1 – Lack of Automated Processes

Probate Court staff is ready to begin training and use of Odyssey Financial Management Tools.

We look forward to full automation and discontinuance of manual operations related to financial tasks, including cash receipting, financial reporting and issuance of remittances. At this time, the Probate Court receives a limited number of reports generated by Odyssey and is unable to make full use of the financial management tools offered through Odyssey.

Until **October 10-11, 2017**, the Probate Court had no knowledge or training regarding tools that could be made available using the Odyssey Financial Management System (Odyssey). On October 10-11, 2017, Probate Court financial staff had their first introduction to the Financial Management Tools available through Odyssey.

No further training has been provided.

Finding 2 – Limited Use of Odyssey Financial Management System

Probate Court staff is ready to begin training and use of Odyssey Financial Management Tools.

At this time, the Probate Court receives a limited number of reports generated by Odyssey and is unable to make full use of the financial management tools offered through Odyssey. The Probate Court does not have Odyssey Financial Management System tools installed.

To date we have had a two day (October 10-11, 2017) introduction to Odyssey Financial Management System. The “lack of training” regarding these tools is directly related to the fact that such training has not yet been provided. Further, the various tools have neither been introduced nor installed in the Probate Court. We are unable to use the full capabilities of Odyssey because we had no knowledge or training regarding the financial systems now available through Odyssey. We have seen “samples” of financial reporting tools created for the State Court of Fulton County. We look forward to having financial reporting tools that provide full automation in lieu of manual entries. We anticipate that such financial reporting tools will be tailored to Probate Court needs and will eliminate the manual process.

Finding 3 – Inadequate Cash Management Procedures

Probate Court staff is ready to begin training and use of Odyssey Financial Management Tools.

The Probate Court will update the Written Procedures related to cash management procedures, taking into account existing Odyssey tools in the Financial Management System.

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Manual Cash Management review procedures currently include reconciling a till, reviewing till totals for the day, and comparing what was entered into Odyssey Case Management System. New cash management instructions will be written when Odyssey Financial Management system is in place. **To date, it is not done**

Finding 4 – Lack of Segregation of Duties (at Satellite Locations)

Segregation of duties is driven by the number of employees to perform those specific duties. The Court Operations at the North and South Service Centers is dictated by the number of employees we have on staff. Although we have asked for another staff person at the South Service Center, each staff person at the Service Center continues to perform all functions. Satellite offices do not have accounting staffs.

Every staff person, including the supervisor, must wait on customers by interviewing/screening the customer to determine their needs, entering their petitions into the case management system, receiving payments and entering them. We recognize that the lack of segregation has the potential for problems.

Part of the job responsibilities of our annex supervisors is to review daily totals and till reconciliations.

Finding 5 – Failure to Properly Safeguard Assets

The office configuration at the South Service Center works for that particular space. We continue to operate in that space that we have occupied since the building was constructed. The Clerks at both the Annexes must be able to assist customers, receive petitions, take payments from customers, enter those payments in the register or through the use of the credit card machine and reconcile.

The Safe is in a room away from public view. That is the only space that will accommodate the safe.

Deputy Sheriffs and/or Security Guards enter the office during the day. We want them to be visible. If these are the “unauthorized individuals” that have access to our office—this is what we wanted. Accordingly, the Probate Court will not be changing that arrangement—we asked for it.

We will take steps to ensure that customers’ proximity to cash transactions is limited.

Finding 6 – Lack of Management Review

The Probate Court Bookkeeping Division is small. It consists of a Supervisor, two cashiers and one additional staff person. This Division also manages the payroll for the court.

Management conducts a daily review of the cashier’s till that is given to the supervisor, and compares it to what is reflected in case management and cash accounting system. The monthly remittance is reviewed and signed by management. Check disbursements are reviewed by management and compared to the reports each month. The supervisor has been encouraged and advised to delegate more of her work to the second in charge, in order that she can be engaged in the review process. We have also asked that bank reconciliations be done by her assistant so that the supervisor can provide

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oversight rather than the actual entering of data into what has been a manual system. The Chief Clerk, who is newly appointed, has not yet been integrated into the role of reviewing Probate Court financial transactions. Her transition to tasks related to financial management is delayed by other staff shortages. At this time we (the Judge for now—until the Chief Clerk is integrated into the review process) reviews the monthly reports, banking information and remittances to various entities, including the Finance Department and the Clerk's Authority.

We anticipate that supervisory review and verification of financial documents including (a) daily cash reports and (b) monthly remittance reports will be improved once Odyssey automation is fully integrated, thus freeing up time for the supervisor to review rather than doing the work herself.

Odyssey accounting is not fully functional, we have not seen the Tyler rep back in our court as promised, and we cannot enter "test" mode to practice entries. We are in full production mode only. We cannot verify the accuracy of anything produced by Odyssey unless compared to manual counts done by hand.

Finding 7 – Inaccurate Reporting of Fee Calculations

- Any inaccuracies appearing on the Consolidated Monthly Remittance Report generated in Odyssey is unresolved at this time.
- We generate disbursements and reports based on Odyssey data. Either we rely on Odyssey or we do manual counts.
- When fees are reversed to correct errors, we anticipate that Odyssey Financial Management System will remove the erroneous count for that particular item. This apparently does not happen with the existing Odyssey tools.
- We look forward to automated financial management tools that are tailored to Probate Court needs.

Finding 8 – Failure to Properly Prepare Bank Reconciliations

- Bank reconciliations are particularly tedious. We will work to ensure that bank reconciliations are done in a timely manner, taking into account that we have two (2) staff people doing this work. To date, it has been done by one person (the supervisor).
- Credit card payments have made the bank reconciliation process extremely difficult. Credit card payments (a) do not reach the bank on the day they are received by the Court; and (b) the amounts shown on the bank statement do not match the actual amount the Court receives as payment because fees are deducted from those amounts by the bank.
- We look forward to ending manual entries and counting. We anticipate a system that counts the number of filings and calculates the various amounts to be reported.
- Stale dated checks have in previous years been "written off" by the Internal Audit Division staff. Historically, as a department, we did not have authority to "write off" stale-dated checks. If there is a different process at this time, the Court has not been made aware of that process.

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- The Probate Court is familiar with an escheat of estate property. We, in fact, handle estate escheats. However, an escheat of county funds to the State of Georgia, for small uncashed refund checks or uncashed checks issued for sheriff services, is an escheat proceeding with which we are unfamiliar.
- We anticipate that the Internal Audit Division will give further instructions regarding stale-dated checks and escheating county funds to the State of Georgia.

Finding 9 – Untimely and Inaccurate Submission of Remittances

The Probate Court will work towards the timely review and remittance of receipts and reports once the Odyssey Financial System is fully operational. Probate Court staff is ready to begin training and use of Odyssey Financial Management Tools.

When installation of a new computer in Bookkeeping Division was attempted, we learned from Fulton County IT that Quicken is outdated and unsupported by IT. Consequently, for months we had no system in place for creating reports or reconciling banking in order to make appropriate remittances.

The Treasury Division of Finance agreed to send someone over to the Probate Court to assist in preparing remittances in light of the incomplete Financial Accounting System offered by Odyssey; they came to assist on Friday, October 27, 2017.

Finding 10 – Lack of approval for Software Use

Probate Court staff is ready to begin training and use of Odyssey Financial Management Tools.

Some of the Probate Court accounting is done outside of Odyssey because Odyssey Financial Management tools are not yet available to the Probate Court. Accordingly, some of accounting has been done on what is now obsolete software. The Probate Court has attempted to discontinue the use of Quicken software, per instructions from IT. However, since Odyssey is not fully functional, we use an old computer and old software as the only backup system that will give us a record of transactions.

On October 10-11, 2017, we had our first introduction to the Odyssey Financial Management System tools.

Finding 11 – Credit Cards Not Accepted at North Annex

IT is working to complete the installation of credit card terminals at the North Service Center.

At the time IT initially attempted to install the credit card terminals, they were made aware that the cords were too short to install the credit card terminals at the front counters (for customer use) at that location.

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We have doubled our efforts to get IT working on installation.

On Monday, October 30, 2017, the IT Department dispatched someone to North Service Center office to review the installation.

Respectfully Submitted,



Pinkie T. Toomer
Judge of the Probate Court
November 7, 2017