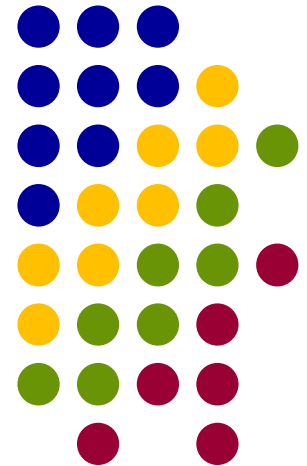
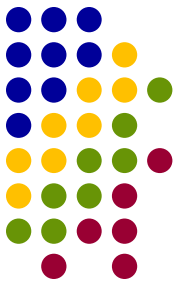


# FY19 Comprehensive Annual Financial Report (CAFR)

Presented: January 28, 2020



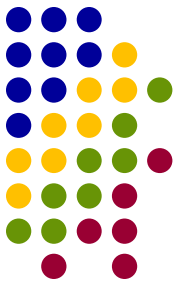


# Management Letter Response

## 1. Accounting System – Agency Funds – Superior Court –

The City recognized that its existing Court Management System was old, outdated, and in need of an upgrade. Project planning for a comprehensive system upgrade began in FY17 and we are currently in the implementation phase of this project.

Implementation of a new web based, fully integrated Court Management System is scheduled to be completed in 2020. We anticipate this new cloud based record keeping system will alleviate most concerns pertaining to potential data loss and will also increase accuracy in data reporting by eliminating manual record keeping processes. Finance, I.T. and Internal Audit staff also met to discuss potential improvements to cash handling procedures surrounding the implementation of the new Court Management System.



# Management Letter Response

**2. Old Outstanding Checks – Agency Funds – Superior Court & Magistrate Court** - Although the Finance Department has no direct oversight of these agency funds, the Finance Department, with consultation from the City Attorney's office, will assist the Clerks of Superior and Magistrate Court regarding the disposition of the old outstanding checks by providing guidance/advice as it relates to the State of Georgia's unclaimed property program.



# Management Letter Response

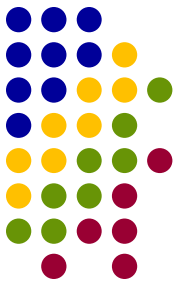
## 3. Segregation of Duties – Agency Funds – Superior Court, Magistrate Court, Probate Court, Municipal Court, and the Muscogee County Jail –

Although the Finance Department has no direct oversight of these agency funds, the Finance Department will meet with the Courts to discuss the duties required for operation and to see if the segregation of duties, as suggested, is possible with current staffing levels.



# Management Letter Response

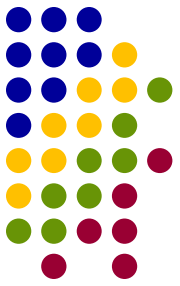
**4. Timely Preparation of Audit Reports – Agency Fund – Tax Commissioner** – Although the Finance Department has no direct oversight of this agency fund, the Finance Department will meet with the Tax Commissioner’s Office to discuss this concern in more detail to see if there are any potential process and/or communication improvements related to reporting and if those improvements have any budgetary impact.



# Management Letter Response

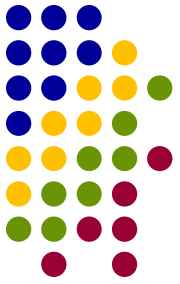
## 5. Bank Deposits – Agency Fund – Municipal Court

– Although the Finance Department has no direct oversight of these agency funds, the Finance Department will meet with the Municipal Court to discuss this concern in more detail to see if there are any potential process improvements to their bank reconciliation process.



# Management Letter Response

**6. Pooled Cash Reconciliation** – Due to staffing levels, the performance of the bank reconciliation by the Finance Director and in a timely manner was unavoidable. The Finance department’s approved staffing level is considerably lean, which makes succession planning difficult as employees resign for better employment opportunities. As a department, we are missing depth in our positions that would allow us to have viable backups. While the Finance Director performs these duties, direct oversight from the Deputy City Manager is required. Training to transition the bank reconciliation duties from the Finance Director is currently underway as staff was recently hired to help facilitate this process. However, the auditor’s recommendation to assess additional staffing needs will not be forgotten as we begin the upcoming budget cycle.



# Questions?