

Detailed Follow Up Report - Auditor Determined Status

Rec#	Recommendation	Auditor FollowUp	City Auditor's Status	Closed
1906	Cash Handling Controls and Accountability	Issued:	3/7/2019	
1	Department management should work with the City Treasurer's Office to ensure appropriate oversight and compliance with AR 268 Cash Handling, including daily cash balancing, segregation of duties and supervisory approval for refund transactions.	June 2019: Auditors reviewed the departments' progress in improving internal controls and timeliness of cash balancing as recommended. One department has fully implemented the recommendations, while the other two departments have additional changes to implement. Oct 2019: One of the two remaining departments implemented the recommendations. For the other location, auditors will continue to review timeliness of supervisory review of refund transactions. March 2021: These locations will be included in future cash handling audits. May 2021: The City Treasurer's office determined the City's general PayPal account was no longer needed and it has been closed.	In Progress	<input checked="" type="checkbox"/>
2A	Department management should require compliance with AR 268 Cash Handling. Specifically, require supervisors to ensure cash handlers adjust shift duties to perform cash balancing in dual custody with both staff present signing the cash count documents.	June 2019: Auditors reviewed the department's current internal control processes for these two locations. The locations have additional changes to put in place. Oct 2019: Based on auditor review, the department continues to work on implementing the recommended control improvements. March 2021: While some progress has been made, this department's cash handling locations will be included in future cash handling audits.	In Progress	<input checked="" type="checkbox"/>
2B	Department management should require compliance with AR 268 Cash Handling. Specifically, require supervisors to ensure cash handlers immediately record transactions in the POS system if operationally feasible. If not operationally feasible, management should work with the Accounting Department to develop compensating controls and then request an exception to the specific AR 268 Cash Handling requirements. Additionally, supervisors should ensure wristband or similar items are prenumbered for comparison to sales, deposits and remaining wristband inventory on hand.	June 2019: Auditors confirmed the wristbands for this upcoming event are prenumbered. Additional controls and records will be reviewed after the event. Oct 2019: Auditors reviewed the special event's cash balancing documents and noted that entries appeared to be individual transactions directly into the POS system. The wristband reconciliation will be reviewed for a future update. March 2021: This event's cash handling will be reviewed for a future if the event is reinstated.	In Progress	<input checked="" type="checkbox"/>

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2C	<p>Department management should require compliance with AR 268 Cash Handling. Specifically, require supervisors to ensure only appropriately trained staff perform cash handling functions, and POS system cashiering access is removed for locations that do not have trained staff. If these locations continue to perform cashiering, ensure they understand AR 268 responsibilities, particularly ensuring documentation, daily cash balancing and proper security for sensitive financial information.</p>	<p>June 2019: Auditors reviewed calendar year 2019 transactions and the non-cash handling locations had not entered receipts. However, system access has not yet been removed for the staff at these locations. Oct 2019: Auditors reviewed user access for these locations with the Community Services Technology Group and one of the location supervisors; access appears appropriate at this time.</p>	Implemented	<input checked="" type="checkbox"/>
2D	<p>Department management should require compliance with AR 268 Cash Handling. Specifically, require supervisors to ensure proper segregation of duties for receiving, reconciling and depositing cash transactions.</p>	<p>June 2019: Auditors reviewed May 2019 transactions for this location and found proper separation of cash handling duties is not yet consistently enforced. Oct 2019: Auditors reviewed October 2019 transactions for this location and again found that proper separation of cash handling duties is not yet consistently enforced. March 2021: This location has not implemented proper separation of cash handling and accounts receivable duties and will be included in a future cash handling audit.</p>	In Progress	<input checked="" type="checkbox"/>
2E	<p>Department management should require compliance with AR 268 Cash Handling. Specifically, require supervisors to ensure use of a reservation system to manage these facility reservations.</p>	<p>June 2019: The department reported that the location is researching facility management software for a system that can meet its needs and budgetary constraints. March 2021: This location has purchased venue management software and three of its four staff have completed cash handling training as it begins to process rental agreements again. The other staff's training is in process.</p>	Implemented	<input checked="" type="checkbox"/>