



Cash Counts Audit

Golf Courses

Report AR-2301
December 9, 2022

Why We Did This Audit and What We Found

The purpose of our audit was to determine whether petty cash/imprest funds existed as recorded in City records and were accurately accounted for at the time of the cash count. The audit objectives were to 1) determine whether the Hilaman Golf Course and Jake Gaither Golf Course properly maintained petty cash/imprest funds, 2) ensure the funds were reasonably safeguarded from loss, and 3) provide recommendations to strengthen and improve internal controls if issues were identified. We found both golf courses properly maintained their petty cash/imprest funds. Both golf courses used the imprest funds for cashiering operations.

Our surprise count of the imprest funds at both Hilaman and Jake Gaither golf courses did not identify any deficiencies in the amount held in the imprest funds. Additionally, we noted the funds were properly accounted for, safeguarded, authorized, and recorded in City records.

What We Did

The scope of this cash count audit was limited to the petty cash/imprest funds at Hilaman and Jake Gaither Golf Courses. To satisfy the audit objectives, we conducted surprise cash counts and reconciliations of the funds at the golf courses, interviewed staff, reviewed significant processes, and reviewed the adequacy of relevant controls.

HIGHLIGHTS

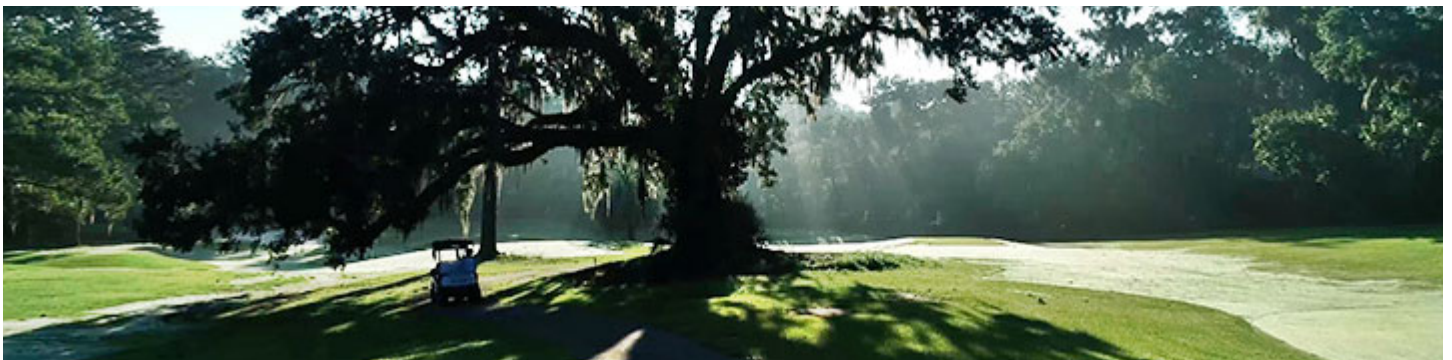
Conducted:
Surprise Cash Counts
Reconciliations of Funds

Interviewed:
Golf Course Staff

Reviewed:
Significant Processes
Adequacy of Relevant Controls

Audit Period:
May 2022

Conclusion:
No issues identified



Background

The City's Administrative Procedures No. 614 defines an imprest fund as a fixed cash or petty cash fund in the form of currency or coin that has been advanced as funds held outside of the Revenue Division of the Office of the City Treasurer-Clerk. Imprest funds are authorized and established for two primary purposes: 1) petty cash or other small disbursements and 2) cashiering operations at City "point of sale" locations (e.g., golf course pro shops, swimming pools, and StarMetro C.K. Steele Plaza).

A total of 16 imprest funds have been established within the City. Appropriate controls are needed to safeguard and account for imprest funds due to the high inherent risk of loss associated with cash. Similarly, adequate controls are required to ensure that disbursements of those funds are made only for authorized and proper purposes.

Good business practices provide that each use of a petty cash fund be supported by adequate documentation (e.g., vendor receipts), approved by appropriate managerial staff, properly accounted for, and accurately recorded in the City's accounting system. In recent years, the need for petty cash funds within City departments has diminished with the expansive use of City Purchase Cards (P-Cards).

Conclusion

Hilaman and Jake Gaither golf courses properly maintained their petty cash/imprest funds. The imprest fund amount allocated was appropriate and sufficient to meet their cashiering operational needs. No issues or fraud was identified.



Appointed Official's Response

City Manager

I am very pleased with the outcome of this audit. It clearly demonstrates that the Golf team demonstrates appropriate controls over their petty cash/imprest funds. I would like to thank the Office of the Inspector General and his staff for their diligent and professional review and ongoing support to strengthen our City controls.

Acknowledgements

We would like to express our appreciation to Golf Course management and staff for their cooperation and assistance during this audit.

Project Team

Engagement conducted by: Travis Britt
Staff Auditor

Supervised by: Jane Sukuro, CPA, CIA
Deputy Inspector General

Approved by: Dennis R. Sutton, CPA, CIA, CIG
Inspector General

Statement of Accordance

The Office of the Inspector General's mission is to advance integrity, accountability, transparency, and efficiency and effectiveness within City government by providing professional, independent, and objective audit and investigative services.

We conducted this audit in conformance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and Generally Accepted Government Auditing Standards. Those standards require 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. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

Please address inquiries regarding this report to the Office of the Inspector General at (850) 891-8397 or inspector.general@talgov.com.

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