

JENNY WILSON
Salt Lake County Mayor

May 25, 2023

ROBIN CHALHOUB
Department Director
Community Services

Auditor Chris Harding, CPA
Office of the Auditor
Salt Lake County

MARTIN JENSEN
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Auditor Harding,

Salt Lake County Parks and Recreation welcomes the Auditor's Office to review our operations and provide opportunities for improvement. Pursuant to Utah Code Ann. §17-19a-401, we understand this in an important part of ensuring taxpayer dollars are appropriately utilized.

Please find our response below to each of the recommendations made in your report.

AUDIT FINDING 1: CONCESSION INVENTORY WAS NOT TRACKED

RECOMMENDATION 1.1		
<p>1. We recommend management establish written policies and procedures regarding inventory management including:</p> <ul style="list-style-type: none"> • Conducting an inventory count after each tournament. • Comparing ending inventory to beginning inventory, plus items purchased, less items sold and documenting and investigating any shortages. • An independent party reviewing and signing off on inventory reconciliations. • Retaining reconciliations with tournament deposit documentation. 		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	August 1, 2023	Doranne Pittz, Associate Director - Recreation

Recreation will follow these procedures immediately and will document the procedures for counting inventory after each tournament, reviewing inventory, documenting and investigating shortages, reconciling inventory, and retaining reconciliations in its manual of Standard Operating Procedures.

AUDIT FINDING 2: LACK OF SEPARATION OF DUTIES (SOD) OVER CONCESSION PURCHASING, PRICING, AND SALES

RECOMMENDATION 2.1		
We recommend that Management ensure that approval is completed from a separate, authorized employee for all concession-related purchases.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Josh Olmstead, Recreation Manager

The Recreation Manager will approve all concession-related purchases.

RECOMMENDATION 2.2		
We recommend that inventory purchased be received and added to inventory records by someone not involved in the purchase.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

The Office Coordinator will manage the receiving and updating of concession inventory records and will not be involved with purchasing those items.

RECOMMENDATION 2.3		
We recommend that the product pricing as set up in the POS be reviewed prior to the upcoming season, and that the pricing be approved by an independent, authorized employee.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	August 1, 2023	Josh Olmstead, Recreation Manager

The Recreation Manager will review and approve product pricing before upcoming seasons. The Office Coordinator will update approved price changes in the POS.

AUDIT FINDING 3: NO RECORD OF INDIVIDUAL TRANSACTIONS WAS RETAINED, CUSTOMER RECEIPTS WERE NOT PROVIDED, AND A POS REPORT OF COLLECTIONS WAS NOT PRINTED OR RETAINED.

RECOMMENDATION 3.1		
We recommend that individual sales be retained by management for balancing, concessions inventory, and for researching overages and shortages.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	August 1, 2023	Kylie Neff, Office Coordinator

The Sports Office is in the process of implementing SportsMan Web POS, which will include a cash drawer, receipt printer, and reports for balancing, concession inventory data, and the ability to research overages and shortages.

RECOMMENDATION 3.2		
We recommend a report of totals sales per the mobile POS, or other manual or electronic POS system used onsite, be generated and retained with the deposit documentation.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	August 1, 2023	Kylie Neff, Office Coordinator

The Sports Office is in the process of implementing SportsMan Web POS, which will provide the ability to generate sales reports to be retained with deposit documentation.

RECOMMENDATION 3.3		
We recommend that receipts be provided to both cash and credit card customers as required by Countywide Policy 1062, "Management of Public Funds."		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	August 1, 2023	Kylie Neff, Office Coordinator

The Sports Office is in the process of implementing SportsMan Web POS, which creates a system generated receipt which can be provided to both cash and credit card customers as required by County Policy 1062, "Management of Public Funds."

AUDIT FINDING 4: DAILY COLLECTION COUNTS NOT DOCUMENTED

RECOMMENDATION 4.1		
We recommend that Management count and record cash collection amounts daily after each tournament day on a Cash Balance Sheet.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

The Office Coordinator will use count cash collection amounts daily after each tournament day, and will use record the amounts on the Cash Balance Sheet. A Fiscal Administration Accountant has met with the Office Coordinator to review the requirements and the proper procedures.

RECOMMENDATION 4.2		
We also recommend that after each count overages/shortages be recorded on the daily Cash Balance Sheet.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

The Office Coordinator will record overages/shortages on the daily Cash Balance Sheet. A Fiscal Administration Accountant has met with the Office Coordinator to review the requirements and the proper procedures.

RECOMMENDATION 4.3		
We recommend that a reconciliation between the mobile POS, Cash Balance Sheet and amounts entered into Sportsman be performed to ensure that all systems are balancing.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	August 1, 2023	Kylie Neff, Office Coordinator

The Sports Office is in the process of implementing SportsMan Web POS, after which the mobile POS will no longer be used. Sales will be entered directly into SportsMan Web.

AUDIT FINDING 5: CHANGE FUND WAS NOT LOGGED IN AND OUT OF THE SOFTBALL COMPLEX SAFE

RECOMMENDATION 5.1		
We recommend that cashiers complete and sign an MPF Form 7, Fund Transfer Ledger, or similar log, each time they retrieve the Change Fund from the safe; and return the fund to the safe at both the Sports Office and Softball Complex.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

Cashiers will complete the Fund Transfer Ledger when retrieving and returning the change fund to the safe. The Office Coordinator will complete the Fund Transfer Ledger when transferring between safes. A Fiscal Administration Accountant has met with the Office Coordinator to review the requirements and the proper procedures.

RECOMMENDATION 5.2		
We recommend that Management retain Change Fund Transfer Logs in accordance with Countywide policy.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

Change Fund Transfer Logs will be retained for three years at the Sports Office. A Fiscal Administration Accountant has met with the Office Coordinator to review the requirements and the proper procedures.

AUDIT FINDING 6: CASH OVER/SHORT LOG WAS NOT MAINTAINED, AND THE BALANCE SHEET WAS NOT COMPLETED CORRECTLY.

RECOMMENDATION 6.1		
We recommend the change fund or start-up fund be accurately accounted for on the Cash Balance sheet.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

The start-up fund will be accurately accounted for on the Cash Balance Sheet. The Office Coordinator will ensure that the Change Fund transfer log matches the Cash Balance Sheet. A Fiscal Administration Accountant has met with the Office Coordinator to review the requirements and the proper procedures.

RECOMMENDATION 6.2		
We recommend that staff accurately record collections per the mobile POS and that any overages or shortages be recorded, investigated, and documented.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	August 1, 2023	Kylie Neff, Office Coordinator

The Sports Office is in the process of implementing SportsMan Web POS, after which the mobile POS will no longer be used. Sales and collections will be recorded directly into SportsMan Web. The Office Coordinator will investigate and document overages/shortages. A Fiscal Administration Accountant has met with the Office Coordinator to review the requirements and the proper procedures.

RECOMMENDATION 6.3		
We recommend that management implement an overage/short log and ensure that it is completed accurately after each tournament.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

The Office Coordinator will ensure that the Cash Over/Short Log is completed after each tournament. A Fiscal Administration Accountant has met with the Office Coordinator to review the requirements and the proper procedures.

AUDIT FINDING 7: CASH HANDLING TRAINING RECORDS WERE NOT RETAINED

RECOMMENDATION 7.1		
We recommend that management implement a retention policy of cash handling training files in a singular location to ensure that concession employees have completed cash handling training prior to working.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

Cash handling training files will be maintained at the Sports Office. If the cashier is from another center, a copy of the cash handling training record will be sent to the Sports Office. If no training record is provided, the Sports Office will provide cash handling training before allowing the cashier to work tournament concessions.

RECOMMENDATION 7.2		
We recommend that employees complete cash handling training if needed, or ensure their records are retained for future reference.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

Cash handling training files will be maintained at the Sports Office. If the cashier is from another center, a copy of the cash handling training record will be sent to the Sports Office. If no training record is provided, the Sports Office will provide cash handling training before allowing the cashier to work tournament concessions.

RECOMMENDATION 7.3		
We recommend that management ensure that all concession employees have their training completed with dates of completion documented, prior to the employee working as a cashier.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	June 1, 2023	Kylie Neff, Office Coordinator

Cash handling training files will be maintained at the Sports Office. If the cashier is from another center, a copy of the cash handling training record will be sent to the Sports Office. If no training record is provided, the Sports Office will provide cash handling training before allowing the cashier to work tournament concessions.

We appreciate the insight into our operations and look forward to future collaborations with your office.

Thanks,



Martin Jensen
Director, Salt Lake County Parks & Recreation