

May 10, 2023

Chuck Ellis, Director
Recreation, Parks & Cultural Affairs
1950 West Exchange Place, 4th Floor
Georgia, 30084

RE: Follow-up on the status of management actions plans - Recreation, Parks & Cultural Affairs Audit of Cash Handling Procedures Audit Report Number 2017-011-RPCA

Dear Director Ellis:

As required by DeKalb County, Georgia – Code of Ordinances/Organizational Act Section 10A – Independent Internal Audit (I), the Office of Independent Internal Audit has completed a follow-up of the audit noted above. This follow-up focused on the status of the implementation of action plans; the effectiveness of actions taken may be assessed in future audits. The table below outlines the Office of Independent Internal Audit’s assessment of the status of actions taken by your office to address the findings contained in the audit report referenced above.

Status of Audit Findings

Based on the overview of management responses to the findings, we concluded that:

#	Report Finding	Management Action Plan Status
1	Insufficient Documentation and Controls to Accurately Account for all Revenue Collected	Closed
2	Inadequate Security/Safeguarding of Cash Collected	Closed
3	Discrepancies and Inadequacies in Documentation Showing Transfer of Custody of Revenue Collected	Closed
4	All Revenue is not Deposited within 24 Hours of Receipt and Aquatics Revenue is not Deposited Daily	Closed
5	Lack of Segregation of Duties	Complete Pending Verification
6	Inadequate Management Oversight/Monitoring	Closed

Sincerely,



Lavois Campbell, CIA, CISA, CFE, CGA-CPA
Chief Audit Executive
Office of Independent Internal Audit



Office of Independent Internal Audit

LAVOIS CAMPBELL, CHIEF AUDIT EXECUTIVE

FINAL

Attachment: Audit Findings Status Update Form

Cc: Chuck Ellis, Director, Recreation, Parks & Cultural Affairs
Catrina A. Rives, Human Resources Manager
Michael L. Thurmond, Chief Executive Officer
Robert Patrick, Board of Commissioners District 1
Michelle Long Spears, Board of Commissioners District 2
Larry Johnson, Board of Commissioners District 3
Steve Bradshaw, Board of Commissioners District 4
Mereda Davis Johnson, Board of Commissioners District 5
Ted Terry, Board of Commissioners District 6
Lorraine Cochran-Johnson, Board of Commissioners District 7
Lisa Earls, Chairperson, Audit Oversight Committee
Gloria G. Gray, Vice-Chairperson, Audit Oversight Committee
Tanja Christine Boyd-Witherspoon, Chairperson Pro-Tem, Audit Oversight Committee
Adrienne T. McMillion, Audit Oversight Committee
Harold Smith, Jr., Audit Oversight Committee

Information Distribution:

Zachary L. Williams, Chief Operating Officer/ Executive Assistant
Vivian Ernstes, County Attorney
La'Keitha D. Carlos, CEO's Chief of Staff
Kwasi K. Obeng, Chief of Staff, Board of Commissioners

Finding # 1

Dekalb County Government			
Office of Independent Internal Audit			
Date:	May 10, 2023		Prepared by: Kesha Hall
Audit Findings Status Update Form			
Status Date	Report #	Report Title	
5/10/23	2017-011-RPCA	Audit of Recreation, Parks and Cultural Affairs Cash Handling Procedures	
Contact Person	Title	Phone No.	Email Address
Chuck O. Ellis	Director	404-371-2475	coellis@dekalbcountyga.gov
Activity	Accountability	Schedule	
Revenue Collection	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Recreation, Parks & Cultural Affairs	No	N/A
Finding		Insufficient Documentation and Controls to Accurately Account for all Revenue Collected	
No.	1		
Date	10/12/2018		
Recommendations	<p>The RPCA Director should implement the following:</p> <ul style="list-style-type: none"> •Provide training to RPCA staff (including part-time staff) who may handle cash on proper revenue collection/handling procedures and policy requirements. Ensure that staff understand that all revenue should be recorded/logged immediately upon receipt. •Provide receipts to each customer immediately when funds received. •Utilize the Daily Admissions Report to track attendance for all aquatic facilities. Consider using a turnstile system to independently track admissions to aquatic facilities, if cost efficient. •Segregate duties by separating the person collecting revenue from the individual maintaining the Daily Admissions Report. •Require within the policy, the use of a log for payments received by mail. •Record on the log for mail-in payments: the check amount, date of receipt, date of check, check number, reason for payment, and the name of the individual who receives the check. In addition, the person preparing the log should be independent of the accounting functions process, i.e. segregation of duties should exist between the individual opening the mail and making the deposit. •Consider implementing/adopting a cashless system at the Aquatic facilities where patrons can use credit/debit cards or stored value smart cards to make payments. Consideration should be given to leveraging the existing Active Net platform currently used by the recreational facilities. •Utilize Active Net to collect payments from all LCHF customers. The Active Net platform will allow for customer statement of accounts. •Improve management oversight/monitoring to help encourage and detect non-compliance with key revenue collection controls/procedures. (Refer to Finding #6 for recommendations on Management Oversight/Monitoring). 		

Finding # 1 continued

Management Response	<p>1.RPCA provided training prior to the 2019 swim season on proper revenue collection/ cash handling procedures and policy requirements. We stressed the importance of logging revenue immediately upon receipt. In addition, we provided on-site training prior to the start of the season.</p> <p>2.A cash register receipt is given to each customer upon collection of revenue. In the event the register is down, a hand-written receipt is given to the customer.</p> <p>3.We now use a Daily Admissions Report to track attendance at our pools.</p> <p>4.Recommendation implemented and policy updated accordingly.</p> <p>5.All Mail-in and Walk-in payments are recorded in our Check Log by the Office Assistant and given to the Accountant or Administrative Services Manager for deposit daily.</p> <p>6.Recommendation implemented.</p> <p>7.Recommendation implemented at the Aquatics Center. Evaluated at the pools and determined that connectivity issues and impact to service delivery at Kittredge and Tobie Grant presents a problem for us. However, we will look at other options such as making pool passes available online and/or purchase pool passes prior to pool season at any one of the recreation centers.</p> <p>8.Recommendation implemented. ActiveNet accounts have been established for each LCHF boarder.</p> <p>9.Recommendation implemented. Monthly reconciliations are performed and ActiveNet reports examined to detect non-compliance with key revenue collection procedures.</p> <p>10.Recommendation implemented. All payments are made payable to DeKalb County.</p> <p>11.Recommendation implemented. Titles on forms /reports used by staff are consistent with the titles referenced in the policy.</p> <p>12. Recommendation implemented. Checking the register date and time was stressed in training and staff was required to go through set-up procedures before opening for business.</p>
1st Status Update	
Open	<p>We have complied with your recommendation. 3-day Orientation/Training was held at Browns Mill Recreation Center on 5/11/19, 5/18/19 and 6/3/19. We discussed the importance of logging revenue immediately upon receipt. We continue to log all payments that are hand delivered to the Administrative Office and given to the Administrative Services Manager or Accountant for deposit. As of June 4, 2019, all pools except Kittredge and Tobie Grant are cashless and using ActiveNet to record transactions and generate receipts. We are still working to make pool passes available online and will provide progress at a later date. The Division Manager has been actively involved in all training, including on-site training. We do not accept personal checks; all cashier's checks and money orders are endorsed to DeKalb County. All LCHF Boarders have ActiveNet accounts and are making online payments. The Revenue Collection Policy (RCP) has been updated to reflect changes to form titles and operating procedures. Further, all staff has had an opportunity to review, discuss and sign the Revenue Collection Policy.</p> <p>Many of your recommendations have been implemented. We are in the early stages of making pool passes and memberships available online. In addition, pre-season passes will be available for purchase at our recreation centers. The responsibility for the Browns Mills Family Aquatic Center was transferred to the City of Stonecrest effective October 2019. We have identified a new secure location for safeguarding deposits until revenue is picked up the following morning and transported to the Administrative Office. The deposits are mostly checks and money orders, but small amounts of cash are sometimes collected at Kittredge and Tobie Grant during the pool season.</p>
Management/Agency Assumes Risk	
X Partially Complete	
Complete Pending Verification by OIIA	
Closed	
2nd Status Update-Final	
Open	<p>The updated Financial Management Procedures (FMPs) and RPCA's procedures 2.1, pg 10, states that no cash is accepted. All On-site payments are processed electronically. Our website, under "Methods of Payment," indicates that acceptable forms of payment are electronic payment credit/debit cards.</p> <p>As we are tracking revenue and attendance and generating reports in ActiveNet, there is no need for manual tracking and forms.</p> <p>Due to the lack of interest and response to using pool/pre-season passes, we've tabled this action. As there is no cash handling and Browns Mill Aquatic Center is the responsibility of the City of Stonecrest, we no longer use Brinks. Payments received via USPS mail are logged, invoiced in Oracle, and hand-delivered to the Treasury Finance Department.</p> <p>The RPCA's procedures have been updated to reflect forms and title changes.</p>
Management/Agency Assumes Risk	
Partially Complete	
Complete Pending Verification by OIIA	
X Closed	

Finding #c2

Dekalb County Government			
Office of Independent Internal Audit			
Date:	May 10, 2023		Prepared by: Keshia Hall
Audit Findings Status Update Form			
Status Date	Report #	Report Title	
5/10/23	2017-011-RPCA	Audit of Recreation, Parks and Cultural Affairs Cash Handling Procedures	
Contact Person	Title	Phone No.	Email Address
Chuck O. Ellis	Director	404-371-2475	coellis@dekalbcountyga.gov
Activity	Accountability	Schedule	
Revenue Collection	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Recreation, Parks & Cultural Affairs	No	N/A
Finding		Inadequate Security/Safeguarding of Cash Collected	
No.	2		
Date	10/18		
Recommendations		<p>RPCA Director should do the following:</p> <ul style="list-style-type: none"> •Ensure that sealed cash deposit bags are never opened unless as indicated by the policy. If unusual circumstances require the bag to be opened, the staff should obtain written prior approval from a superior with a documented justification. The cash should be recounted before sealing the new cash deposit bag. At least one other individual (at the manager level) should be present to observe actions and sign-off on recount. •Provide refresher training to staff authorized to handle cash on best practices and policies of handling cash. •Ensure cash is accessible only to authorized persons at all times so that revenue collections can be traceable to RPCA specific collectors. For example, authorized staff should keep the door to the room where the safe is located, locked when not in use. •Ensure a log is maintained to track personnel who enter the (X-room/safe room). The log should record the time of entry, date, purpose of entry, name and signature. •Ensure all locations are equipped to securely store cash by providing a functional safe or locked cabinet and that keys/locks are changed when staff with access transfers or is terminated. In addition, require that staff notify RPCA management immediately of broken safes, locked cabinets or cash drawers. •Ensure annual background checks are performed on all part-time staff who handle cash. Preferably, the background checks should be performed by the County Human Resources and Merit Department and not RPCA. Furthermore, background check results should be retained for at least five years to be compliant with State of Georgia document retention polices. 	

Finding # 2 continued

Management Response		<p>1.As part of re-training, staff was instructed to never open sealed bags. We ensure that bag numbers are tracked to account for all deposit bags.</p> <p>2.Re-fresher or in - service training was provided in 2018 and will be provided again in 2019 to ensure expectations are understood.</p> <p>3.The Safe Room remains locked at all times and a log is maintained to track personnel who enter the room. We have also added a security camera in the Safe Room as an added measure of security.</p> <p>4.Revenue collected is secured daily in the Safe Room at Browns Mill Family Aquatic Center since there isn't a Safe Room at all locations. Our staff has been reminded to inform management immediately when the safe/equipment requires repair.</p> <p>5.The DeKalb County Human Resources Department conducts annual background and certification checks on all part-time staff whether or not they handle cash.</p> <p>6.We do not accept personal checks unless payment is for donations/sponsorships. Please note that the Recreation, Parks and Cultural Affairs Director can make an exception to this rule for valid circumstances; such as individuals who do not have computer connectivity.</p>
1st Status Update		<p>We have complied with your recommendation. As part of re-training or refresher training, we discussed and staff was instructed not to open bags. Instead, they are to make any changes on a new bag and insert the original unopened bag with any additional items in the new cash bag. Refresher training was held on 5/11/2019. The importance of safeguarding the County's revenue and accountability was discussed in detail. A functional safe is currently in use to ensure the safekeeping of cash at the Browns Mill location. The Safe Room is locked at all times and an activity log is maintained. The Security Camera was installed in August, 2018 and has been a great tool for monitoring activity and capturing issues we needed to address. Revenue is secured daily and we also verify what is picked up by Brinks. We make routine maintenance checks, during the internal audits, to ensure equipment is fully operational at our pools. Background and certification checks are performed on all seasonal workers prior to appointment. We do not accept personal checks. We are transitioning to a cashless system; however, cash will only be accessible to authorized staff for the purpose of verifying revenue collection.</p> <p>No further action required. Management of Browns Mill has been transferred to the City of Stonecrest.</p>
	Open	
	Management/Agency Assumes Risk	
	Partially Complete	
X	Complete Pending Verification by OIIA	
	Closed	
2nd Status Update-Final		<p>The City of Stonecrest has assumed custody of the Browns Mill location. However, all RPCA pools and recreation centers are now cashless. Please note that background and certification checks are conducted and/or required of all RPCA employees. Human Resources and Merit Department (HR) confirmed that they performed all background checks for RPCA's 2022 seasonal hires.</p> <p>Since RPCA does not accept cash there is no need for a safe any longer.</p>
	Open	
	Management/Agency Assumes Risk	
	Partially Complete	
	Complete Pending Verification by OIIA	
X	Closed	

Finding # 3

Dekalb County Government			
Office of Independent Internal Audit			
Date:	May 10, 2023	Prepared by:	Kesha Hall
Audit Findings Status Update Form			
Status Date	Report #	Report Title	
5/10/23	2017-011-RPCA	Audit of Recreation, Parks and Cultural Affairs Cash Handling Procedures	
Contact Person	Title	Phone No.	Email Address
Chuck O. Ellis	Director	404-371-2475	coellis@dekalbcountyga.gov
Activity	Accountability	Schedule	
Revenue Collection	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Recreation, Parks & Cultural Affairs	No	N/A
Finding		Discrepancies and Inadequacies in Documentation Showing Transfer of Custody of Revenue Collected	
No.	3		
Date	10/18		
Recommendations	<p>We recommend that the RPCA Director should do the following:</p> <ol style="list-style-type: none"> 1. Update Revenue Collection Policy to outline the process for recording transfer of custody of revenue receipts. The Policy should state that any changes to transfer record should be supported, reviewed and approved by someone other than the person transferring or taking custody. When fund transfers are properly documented, management has the necessary tools to easily identify the source of missing funds and hold individuals accountable. 2. Any adjustments/corrections should be documented with an explanation with dates and initials of the person who made the correction to ensure the adjustment was legitimate. In addition, a secondary review signature indicating review and approval by a superior. 3. RPCA should revise the Funds Sign-In & Sign-Out Sheet to record not only the date of the Daily Revenue Report, and source of funds, but should also record the date of pick up from the aquatic facility, the date revenue was transferred/dropped off at RPCA Administration Office and name of persons involved in each transfer point. 		
Management Response	<ol style="list-style-type: none"> 1. The Revenue Collection Policy has been updated to outline the process for recording the transfer of custody of revenue receipts. A copy is attached for your review. 2. The Revenue Collection Policy has been updated to include how adjustments/corrections are made and the secondary review requirement. 3. The Funds Sign-In & Sign-Out Sheet has been updated to record the name date and time of the employee picking-up from the Aquatic facility and delivered to West Exchange Administration. 		
1 st Status Update		<p>We have complied with your recommendation. The Revenue Collection Policy has been update in accordance with the revenue receipts handling, how voids will be handled; and the secondary review requirements. As of today's date and having gone cashless, the use of the Fund Sign in & Sign out Sheet is suspended. However, in the event acceptance of cash is reinstated, we will resume use of this form to reflect who is picking up from the Aquatic Facility and delivering to West Exchange.</p> <p>Please note that we no longer manage or pick up at the Aquatic Facility and pick up at another secure location. As of June 4, 2019, all pools except Kittredge and Tobie Grant are cashless and using ActiveNet to record transactions and generate receipts. There is no plan to go cashless at these sites. However, we will continue to explore ways to maintain service delivery while addressing the wireless connectivity issues at these sites.</p>	
<input type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input checked="" type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Closed		
2 nd Status Update-Final		<p>Kittredge and Tobie Grant are now cashless and payments are processed via ActiveNet. Transactions are recorded and receipted in ActiveNet. Since the pandemic, there's no Transfer of Custody to a Finance employee.</p>	
<input type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input checked="" type="checkbox"/>	Closed		

Finding # 4

Dekalb County Government			
Office of Independent Internal Audit			
Date:	May 10, 2023	Prepared by:	Kesha Hall
Audit Findings Status Update Form			
Status Date	Report #	Report Title	
5/10/23	2017-011-RPCA	Audit of Recreation, Parks and Cultural Affairs Cash Handling Procedures	
Contact Person	Title	Phone No.	Email Address
Chuck O. Ellis	Director	404-371-2475	coellis@dekalbcountyga.gov
Activity	Accountability	Schedule	
Revenue Collection	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Recreation, Parks & Cultural Affairs	No	N/A
Finding		All Revenue is not Deposited within 24 hours of Receipt and Aquatics Revenue is not Deposited Daily	
No.	4		
Date	10/18		
Recommendations	RPCA Director should do the following: <ul style="list-style-type: none"> Assign backup staff to perform duties when person responsible for pick-up is unavailable, to ensure aquatic revenue is picked up on a daily basis. Ensure that all pool facilities are equipped with working safes to securely store revenue overnight if necessary. Ensure that revenue collected is deposited within 24 hours of receipt, may consider revising policy to state exception when funds collected on Friday. 		
Management Response	<ul style="list-style-type: none"> Back-up staff has been identified to perform daily duties when person responsible for pick-up of the aquatic revenue is unavailable. Revenue collected is deposited within 24 hours of receipt. The only exception is when revenue is collected on Friday and/or the weekend, it is deposited the next business day. 		
1 st Status Update		We complied with your recommendation. The Aquatics Manager/Coordinator position has been filled. Thus, we now have back-up staff to assist with securing the revenue collected at Browns Mill. Revenue collected is deposit within 24 hours of receipt and Brinks picks up revenue every other day. In addition, the pick-up days have been changed to reduce revenue secured in the Safe Room during the weekend which are the busiest days. Revenue is deposited within 24 hours of receipt. The Aquatic Facility is now the responsibility of the City of Stonecrest.	
<input type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input checked="" type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Closed		
2 nd Status Update-Final		All payments are processed electronically via ActiveNet. Thus, all RPCA pools and recreation centers are cashless. Payments (money orders/ cashier checks) received via USPS are logged , invoiced in Oracle FMIS and hand-delivered to the Finance Department.	
<input type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input checked="" type="checkbox"/>	Closed		

Finding # 5

Audit Findings Status Update Form

Status Date		Report #	Report Title	
5/10/23		2017-011-RPCA	Audit of Recreation, Parks and Cultural Affairs Cash Handling Procedures	
Contact Person		Title	Phone No.	Email Address
Chuck O. Ellis		Director	404-371-2475	coellis@dekalbcountyga.gov
Activity		Accountability	Schedule	
Revenue Collection		Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
		Recreation, Parks & Cultural Affairs	No	N/A
Finding		Lack of Segregation of Duties		
No.	5			
Date	10/18			
Recommendations		<p>RPCA Director should do the following:</p> <ul style="list-style-type: none"> •Ensure there is adequate segregation of cash handling duties. Segregation of duties is an internal control intended to prevent fraud and error. <p>Some examples of incompatible duties are:</p> <ul style="list-style-type: none"> oReceiving and maintaining custody of the asset (cash) that resulted from the transaction. oRecording transactions in books and approving write-off of receivables. oReconciling cash on hand and bank statements reconciliation. oDepositing cash and reconciling bank statements. <ul style="list-style-type: none"> •If segregation of duties is not practical, compensating controls, i.e. supervisory review and approval processes must be in place. 		
Management Response		<ul style="list-style-type: none"> •RPCA Administration Office - The Accountant receives the revenue and prepares the Daily Revenue Report that is submitted to the Administrative Services Manager for review and approval. •Aquatic Facilities - A Recreation Worker collects revenue and completes the Daily Admissions Report. The Recreation Leader prepares the Daily Report, deposit slips, and collection bag. The District Manager collects the deposits daily and secures it in the Safe Room at Browns Mill Aquatic Center for Brinks pick up or delivery to West Exchange Administration. •Recreational Centers - A Recreation Worker collects revenue and completes the Daily Admissions Report. The Recreation Leader prepares the Daily Report and deposit slips. The District Manager collects the deposits daily and secure in the Safe Room at Browns Mill Aquatic Center since there isn't a safe room at all location. All deposit bags remain in the Safe Room, until it is picked up by Brinks or delivered to West Exchange Administration. 		
1 st Status Update		<p>We complied with your 1st recommendation. The Accountant receives the revenue and prepares AR Invoices that are submitted to the Administrative Services Manager for review, approval, and then given to the courier to transport to the Finance Department. The Recreation Assistant/Worker collects revenue and two to three times a day he/she counts the drawer and passes it to the Pool Manager for verification and the deposit drop. The Aquatics or District Managers ensures that revenue is picked up at all Aquatic Centers and secured in the Safe Room at Browns Mill for pick up by Brinks. No cash is taken to West Exchange unless there is a problem with the equipment. No further action required. Management of Browns Mill has been transferred to the City of Stonecrest.</p>		
	Open			
	Management/Agency Assumes Risk			
	Partially Complete			
X	Complete Pending Verification by OIIA			
	Closed			
2 nd Status Update-Final		<p>As County employees are working remotely, only the Administrative Service Manager or the Accountant prepares deposits and hand-deliver to the Finance Department. When we resume normal operations, we will revert to the pre-pandemic segregation of duties as outlined above. Please note that all pools and recreation centers are cashless.</p>		
	Open			
	Management/Agency Assumes Risk			
	Partially Complete			
X	Complete Pending Verification by OIIA			
	Closed			

Finding # 6

Dekalb County Government			
Office of Independent Internal Audit			
Date:	May 10, 2023	Prepared by:	Kesha Hall
Audit Findings Status Update Form			
Status Date	Report #	Report Title	
5/10/23	2017-011-RPCA	Audit of Recreation, Parks and Cultural Affairs Cash Handling Procedures	
Contact Person	Title	Phone No.	Email Address
Chuck O. Ellis	Director	404-371-2475	coellis@dekalbcountyga.gov
Activity	Accountability	Schedule	
Revenue Collection	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Recreation, Parks & Cultural Affairs	No	N/A
Finding		Inadequate Management Oversight/Monitoring	
No.	6		
Date	10/18		
Recommendations		<p>RPCA Management should improve oversight of the department's cash handling activities to include, but not limited to the following:</p> <ul style="list-style-type: none"> •Log and investigate all substantial variations from norms such as cash register voids, no sales, refunds and revenue levels. •Regularly review cashier overages and shortages and maintain log of variances with explanations. •Regularly request and/or review the financial records from vendors (Active Net, concessions, golf and tennis management companies) to verify accuracy of check payments made to the County as per vendor contracts. Reviewer should initial and date to notate management review. Any discrepancies should be documented and investigated. •Keep a log of all deposit discrepancies and management should regularly review this log. •Update their Revenue Collection Policy to address the process for issuing voids and refunds and ensure all staff is trained on current policies. •Ensure that customers requesting a refund should do so in writing and provide signature and a contact number. •Prior approvals for refunds/voids should be recorded and should be by a supervisor/manager. •Ensure supervisory/management review of daily reports of revenue collected (required by policy) is documented (signature and date). •Perform monthly bank reconciliations of bank deposits records to internal revenue records. •Analyze revenue per source to identify trend variations, detect potential fraud and facilitate management resource allocation decisions. •Ensure all LCHF boarders have contracts on file that are signed/executed by all parties. In addition, contracts should be reviewed and updated to accurately show current fees, discounts, terms and conditions, etc. •Establish a written agreement/memorandum of understanding between the County and the LCHF Conservatory to outline terms, conditions and respective roles and responsibilities. •Conduct regular spot audits of facilities as required by policy. The scope, methodologies, results, corrective action if applicable of the audits should be documented. •Remove from policy references to documents/processes no longer applicable (e.g. McBee Ledger). 	



DeKalb County
GEORGIA



Office of Independent Internal Audit

LAVOIS CAMPBELL, CHIEF AUDIT EXECUTIVE

FINAL

Finding # 6 continued

Management Response	<ul style="list-style-type: none"> •The Accountant and/or Administrative Services Manager in conjunction with the District Manager will log and investigate all activity outside of the norm such as voids and refunds. In addition, the Revenue Collection Policy has been updated to include the process for issuing voids and/or refunds and the process will be incorporated in the annual training. •We will conduct a regular review and monitoring of cashier overages and shortages and maintain a log with explanation. •We will continue to perform bank reconciliations of bank deposit records to internal revenue records. •Revenue per source will be examined monthly to detect potential fraud. •We are working now to establish LCHF Boarder Contracts to include fees, discounts, terms and conditions. •We are working now to establish a written agreement between the County and the LCHF Conservancy to outline terms and conditions and roles and responsibilities. •We will be conducting documented spot audits of facilities to determine if any corrective action is necessary. •The Revenue Collection Policy has been updated to remove from policy references to documents/processes no longer applicable. Further, the policy has been updated to include new processes incorporated this year. •The Administrative Services Manager will conduct a monthly review of the vendors' financial records to verify accuracy of check payments made to the County as per vendor contracts. Management review will be documented and any discrepancy will be investigated. •We will maintain a Deposit Discrepancy log with Management Oversight. •All requests for refund must have prior approval of a supervisor/manager and be submitted in writing to include a signature and telephone number. •The supervisor/manager will review Daily Revenue Reports weekly and notate the records accordingly.
1st Status Update	<p>The District Manager, Administrative Services Manager or Accountant will conduct bi-weekly investigations of all activity outside the norm. Voids and refunds and the Void Log were discussed as part of orientation and the on-site training. The Revenue Collection Policy has been updated to address voids and refunds. We will conduct a bi-weekly review of overages/shortages and maintain a log of explanations. The Administrative Services Manager or Accountant will conduct bi-weekly ActiveNet reviews of the vendor's financial records to verify the accuracy of ActiveNet payments. All requests for refunds must have prior approval by management, and the refund/reimbursement form must be completed and submitted for processing. Daily Revenue Reports are reviewed daily. When the deposit is submitted with any discrepancies, it is documented and investigated at that time. The Accountant performs bank reconciliations to ensure internal revenue records are accurate. Revenue is examined daily to detect potential fraud, and when appropriate, the police department is contacted. We will conduct at least two (2) documented spot audits bi-weekly to determine if any corrective action is needed. The Revenue Collection Policy has been updated to reflect removal of documents that are no longer relevant and to include all policy updates.</p> <p>Our Management Team conducts spot audits to ensure adequate oversight and monitoring of the revenue logs, reports, and records. The Boarders Contracts are in the Legal Department for review and revision. We do not have an estimated date of completion at this time. We expect to have the Conservancy agreement completed in June 2020.</p>
Open	
Management/Agency Assumes Risk	
Partially Complete	
X Complete Pending Verification by OIIA	
Closed	
2nd Status Update-Final	<p>Due to the department-wide implementation of ActiveNet, we no longer use the Daily Revenue Report form. RPCA is cashless and have eliminated overage and shortages. We conduct bank reconciliations and generate and review revenue collection reports by site monthly. The Boarder/Conservancy agreements were completed.</p>
Open	
Management/Agency Assumes Risk	
Partially Complete	
X Closed	