



# Cash Counts Audit

## Customer Operations - Parking

Report AR-2305  
July 7, 2023

### Why We Did This Audit

The purpose and objective of our audit was to determine whether petty cash/imprest funds: 1) existed as recorded in City records, 2) were properly accounted for at the time of the cash count, and 3) were reasonably safeguarded from loss.

### What We Found

Our surprise counts of the imprest funds maintained by Customer Operations for parking at the Tallahassee International Airport (Airport) parking lot, the Kleman Plaza parking garage, and the Calhoun Eastside parking garage determined the imprest funds were utilized for cashiering operations and were reasonably safeguarded. However, we identified some areas for improvement to enhance internal controls and compliance with the Administrative Policies and Procedures No. 614 (APP 614), *City of Tallahassee Policy on Petty Cash Disbursements*. Specifically, we noted the following:

- The schedule used by the Revenue Division of the City Treasurer-Clerk's Office (Revenue Division) to track petty cash/imprest funds issued to City Departments did not include the funds authorized for use at the Kleman Plaza or Calhoun Eastside parking garages.
- The imprest fund maintained at the Kleman Plaza parking garage was \$200 greater than the amount authorized by the Revenue Division.

### HIGHLIGHTS

#### Scope:

Imprest funds maintained by Customer Operations for City-owned parking locations

#### Conducted:

Surprise Cash Counts  
Reconciliation of Funds

#### Interviewed:

City Staff

#### Reviewed:

Adequacy of Relevant Controls

#### Audit Period:

May 2022 - November 2022

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## Background

APP 614 defines an imprest fund as a fixed or petty cash fund in the form of currency or coin that has been advanced as funds held outside of the Revenue Division. 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 and StarMetro C.K. Steele Plaza).

A total of 16 imprest funds have been established within the City. Appropriate controls are necessary to safeguard and account for petty cash/imprest funds due to the inherent risk of loss associated with cash. Similarly, adequate controls are required to ensure disbursements of those funds are made only for authorized and proper purposes. As it relates to this audit of imprest funds issued to Customer Operations, the following table shows the locations of those imprest funds and the amounts authorized.

| <b>Imprest Fund Locations</b>   | <b>Amount</b> |
|---------------------------------|---------------|
| Airport Parking Lot             | \$ 3,000      |
| Kleman Plaza Parking Garage     | \$ 1,800      |
| Calhoun Eastside Parking Garage | \$ 200        |

Good business practices provide that each petty cash transaction be supported by adequate documentation (e.g., vendor or sales receipts), approved by appropriate managerial staff, and accurately recorded in the City’s accounting system. In recent years, the need for petty cash funds within City departments has diminished due to the extensive use of City Purchase Cards.



### Observation 1 - Incomplete Record of Petty Cash/Imprest Funds Maintained

APP 614 authorizes the Revenue Division to issue a petty cash/imprest fund to outlying departments. As part of its responsibility for administering petty cash/imprest funds, the Revenue Division maintains a schedule of all those funds and the amounts authorized. As part of this audit, we reviewed the Revenue Division's schedule used to track the petty cash/imprest funds issued to City Departments.

Based on our review of the imprest fund schedule maintained by the Revenue Division, we noted that not all funds issued to Customer Operations were included in the schedule. Specifically, we determined neither the \$1,800 imprest fund authorized for the Kleman Plaza parking garage, nor the \$200 fund authorized for the Calhoun Eastside parking garage was included. We notified Revenue Division management of the discrepancy and in response, the schedule was revised to include the \$2,000 issued to the Kleman Plaza and Calhoun Eastside parking garages.

***APP 614 authorizes the Revenue Division to issue a petty cash/imprest fund to outlying departments.***

## Observation 2 - Excess Imprest Funds Maintained

As it relates to petty cash/imprest funds, APP 614 requires the total cash on hand plus documentation supporting transactions (e.g., receipts) to equal the total amount issued to the outlying department. Our review of the documentation maintained by the Revenue Division to support the authorization of petty cash/imprest funds, showed a total of \$5,000 had been authorized for use by the parking locations managed by Customer Operations. Specifically, the documentation showed the Airport parking lot had been authorized for \$3,000, the Kleman Plaza parking garage had been authorized for \$1,800, and the Calhoun Eastside parking garage for \$200.

Our surprise cash count of the funds maintained for parking showed a total of \$5,200 was being held across all locations by Customer Operations. That amount included \$200 more than authorized for the Kleman Plaza parking garage. The following table shows the results of our surprise cash count.

| Location / Imprest Fund         | Revenue Division Authorized Amount | OIG Cash Count | Variance      |
|---------------------------------|------------------------------------|----------------|---------------|
| Airport Parking Lot             | \$3,000                            | \$3,000        | \$ 0          |
| Kleman Plaza Parking Garage     | \$1,800                            | \$2,000        | \$ 200        |
| Calhoun Eastside Parking Garage | \$ 200                             | \$ 200         | \$ 0          |
| <b>Total</b>                    | <b>\$5,000</b>                     | <b>\$5,200</b> | <b>\$ 200</b> |

When the \$200 variance was brought to the attention of Customer Operations, it was determined the excess \$200 was carried forward from the vendor that previously managed the parking at the Kleman Plaza garage.<sup>1</sup> In response to our recommendation, Customer Operations deposited the excess \$200 with the Revenue Division, thereby correcting the variance.

<sup>1</sup> Effective July 1, 2021, the City of Tallahassee's Customer Operations department replaced Republic Parking System, LLC as the administrator of City-owned parking locations.

## Conclusion

We determined the imprest funds maintained by Customer Operations for parking were utilized for cashiering operations and reasonably safeguarded. In response to our recommendations, Revenue Division management updated the schedule used to track petty cash/imprest funds and Customer Operations deposited the \$200 of excess funds noted during our surprise count of the funds held at the Kleman Plaza parking garage.

## Appointed Official's Response

*City Manager*

I am very pleased with the outcome of this audit. The results of the audit conclude that the Cash Counts Parking Funds demonstrates appropriate controls are in place. I would like to thank Customer Operations, the Office of the Inspector General and his staff for their diligent and professional review.

## Acknowledgements

We would like to express our appreciation to Parking management, Revenue management, and all staff for their cooperation and assistance during this audit.

## Project Team

**Engagement conducted by:** Johnny Hawkins, CIGA - Staff Auditor

**Supervised by:** Bill Pace, CPA, CPM - Audit Manager

Jane Sukuro, CPA, CIA, CIG - Deputy Inspector General

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

## Statement of Accordance

The Office of 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 Inspector General at (850) 891-8397 or [inspector.general@talgov.com](mailto:inspector.general@talgov.com).

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