
A Report to the
Citizens of Salt Lake County
The County Mayor and the
County Council

Follow-up Audit:
An Audit of Key Controls at
the Millcreek Canyon
Tollbooth



OFFICE OF THE
SALT LAKE COUNTY
AUDITOR

SCOTT TINGLEY
COUNTY AUDITOR

October 2020

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OFFICE OF THE SALT LAKE COUNTY AUDITOR
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OUR MISSION

To foster informed decision making, strengthen the internal control environment, and improve operational efficiency and effectiveness for Salt Lake County, through independent and objective audits, analysis, communication, and training.



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October 22, 2020

Patrick Leary, Associate Division Director – Parks
Salt Lake County Parks and Recreation Division
2001 S. State Street, Suite S4-700
Salt Lake City, UT 84114

Re: Follow-up Audit: An Audit of Key Controls at the Millcreek Canyon Tollbooth,
Report Number 2018-03

Dear Patrick,

We have completed final follow up work on the audit recommendations contained in Report Number 2018-03, An Audit of Key Controls at the Millcreek Canyon Tollbooth, issued July 2018.

Our follow-up audit work found that the Millcreek Canyon Tollbooth (“MCTB”) has successfully implemented nine out of the ten recommendations issued in the original audit report. We found that MCTB has not implemented one of the recommendations after performing the second follow-up audit. Additional follow-up audit work may be required in the future to address the recommendation that was not implemented or closed as of the date of this report.

We truly appreciate the time and efforts of the Parks and Recreation employees throughout the follow-up audit. Our work was made possible by their cooperation and prompt attention given to our requests. If you have any questions, please feel free to contact Shawna Ahlborn, Audit Services Division Administrator, at (385) 468-7179 or Brenda Nelson, Audit Manager, at (385) 468-7178.

Sincerely,


Scott Tingley, CIA, CGAP
Salt Lake County Auditor

Cc: Martin Jensen, Division Director, Parks and Recreation Division
Holly Yocom, Department Director, Department of Community Services
Beth Harrell, Millcreek Canyon Toll Booth Manager/Fiscal Coordinator, Parks and Recreation Division

Follow-up Audit Results

Finding 1.1: The safe was not locked during the day.

Recommendation	Action Taken	Status
We recommend that cashiers at MCTB keep the safe closed and locked at all times during the day whenever funds are stored inside.	At an unannounced visit to MCTB we found that the safe was closed and locked.	Implemented

Finding 1.2: Management at the MCTB could not provide any evidence that cashiers had attended mandatory cashier training.

Recommendation	Action Taken	Status
We recommend that MCTB management document that training materials have been provided to new cashiers and retain an acknowledgement by cashiers that they have received the training and include the date the training occurred.	Documentation was on file showing that all past employees and new hires have received cashier training. The date the training occurred was also included on the documentation.	Implemented

Finding 1.3: The substitute form that MCTB was using to document the transfer of the change fund to and from the safe each day was inadequate and did not fully capture the information required on the official MPF Form 7.

Recommendation	Action Taken	Status
We recommend that management at MCTB redesign the substitute Change Till Balance Sheet form to include the same details as the official MPF Form 7 and increase accountability each time the change fund is transferred during a shift change and retrieved from or returned to the safe.	MCTB has designed and implemented a new fund transfer log that documents the transfer of change funds both to and from the safe, and when a shift change occurs. We noted that some of the new transfer logs were not completed correctly, however this was a minor training issue with some of the MCTB cashiers.	Implemented

Finding 2.1: Voided transactions were not handled in accordance with Countywide Policy.

Recommendation	Action Taken	Status
<p>We recommend that cashiers fill out void slips for every voided transaction, and that a supervisor reviews the reason for the void and signs as evidence of review. MCTB management should ensure that copies of all void slips are kept and attached to the daily cash balance sheet for audit purposes.</p>	<p>Through additional audit testing, we found that all voids in the sample of deposits we reviewed had adequate documentation, including void slips. The void slips included a valid reason for the void and the cashier’s signature. Four out of five voids had been signed by the supervisor, as required by Countywide policy.</p>	<p>Implemented</p>

Finding 2.2: An inventory and reconciliation of the annual passes was not being performed.

Recommendation	Action Taken	Status
<p>We recommend that management at MCTB conduct a monthly inventory reconciliation of the annual passes and compare the number of passes on hand with the number of passes sold.</p>	<p>We found that MCTB has not implemented this recommendation. Documentation showing the number of annual passes sold each day within the point-of-sale system is currently available. However, the reports do not include a beginning and ending inventory of passes on hand. Therefore, we determined that a full daily or even monthly passes on hand was not being performed.</p>	<p>Not Implemented</p>

Finding 2.3: The spreadsheet that MCTB was using to track cash overages or shortages did not allow supervisors to sign-off on the form as evidence of a supervisor's review.

Recommendation	Action Taken	Status
<p>1. We recommend that an over/short log be designed for use by the MCTB so that the supervisor may identify any patterns of shortages of each cashier.</p>	<p>We found that MCTB has designed and implemented a new cash over/short log, for each employee that shows the daily short/over amount that was signed and dated by the cashier responsible.</p>	<p>Implemented</p>
<p>2. We recommend that the cashier and supervisor sign the cash over/short to indicate that the log has been properly reviewed.</p>	<p>We found that the new over/short logs were signed and dated by a supervisor.</p>	<p>Implemented</p>

Finding 2.4: Management at the MCTB was not reconciling the daily master balance sheet to the bank deposit slip, as required by county policy.

Recommendation	Action Taken	Status
<p>We recommend that the MCTB management add a line to the master balance sheet for the manager or another cashier to sign as an indication of review and reconciliation as required by County policy.</p>	<p>We found that MCTB management had reviewed the reconciliation of each master balance sheet to the bank deposit slip and signed the master balance sheet in the sample of daily deposits that we reviewed.</p>	<p>Implemented</p>

Finding 3.1: The Controlled Asset Inventory Form – Organization had not been updated to include several additional controlled assets found on-site and did not indicate when the last controlled asset inventory was performed.

Recommendation	Action Taken	Status
<p>1. We recommend that MCTB management update the controlled asset spreadsheet to include the additional items identified during the audit and maintain an accurate and complete <i>Controlled Assets Inventory Form - Organization</i> form.</p>	<p>We reviewed the MCTB's 2019 <i>Controlled Assets Inventory Form – Organization</i> and found that management had updated the list and that it included the missing items.</p>	<p>Implemented</p>
<p>2. We recommend that MCTB management conduct a controlled asset inventory at least annually, and sign and date the inventory list as an indication that the results of the inventory have been reviewed.</p>	<p>We found that the most recent annual controlled asset inventory had been signed and dated by MCTB management on January 13, 2020.</p>	<p>Implemented</p>

Appendix A: Additional Information

Scope & Objectives	Generally accepted <i>Government Auditing Standards (GAO-18-568G)</i> , require that auditors perform follow-up audit work to determine if appropriate corrective action has been taken to address issues, findings, and deficiencies identified in prior audit engagements. The primary objective of this follow-up audit was to determine the status of management actions to address the findings reported in Report Number 2018-03, <i>An Audit of Key Controls at the Millcreek Canyon Tollbooth</i> , issued July 2018.
Background	The original audit examined financial records and procedures to determine if Parks and Recreation’s Millcreek Canyon Tollbooth internal controls over the areas of change funds, cash receipts, daily cash deposits, capital and controlled assets, and purchasing cards were properly implemented and functioning as intended to help prevent fraud, waste, or abuse. The original audit identified eight findings related to the audit objectives.

Appendix B: Follow-up Audit Implementation Status			
Implemented	In Process	Not Implemented	Closed
The agency has implemented our recommendation or has adequately addressed the original issue or finding in all respects as verified by the follow-up audit. No further follow-up is required.	The agency is in the process of implementing our recommendation. Additional follow-up may be required.	The agency has taken no action to implement our recommendation. Additional follow-up may be required.	Circumstances have changed surrounding our original finding or recommendation that make it no longer applicable, or the agency will only implement a portion of our recommendation as verified by the follow-up audit. No further follow-up is required.