



**CITY OF RICHMOND**  
**City Auditor's Office**

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**DATE:** June 5, 2023

**TO:** Lincoln Saunders  
Chief Administrative Officer

**FROM:** Louis Lassiter *LL*  
City Auditor

**SUBJECT:** DPRCF - Revenue Collections audit report

The City Auditor's Office has completed the Revenue Collections audit and the final report is attached.

We would like to thank the DPRCF staff for their cooperation and assistance during this audit.

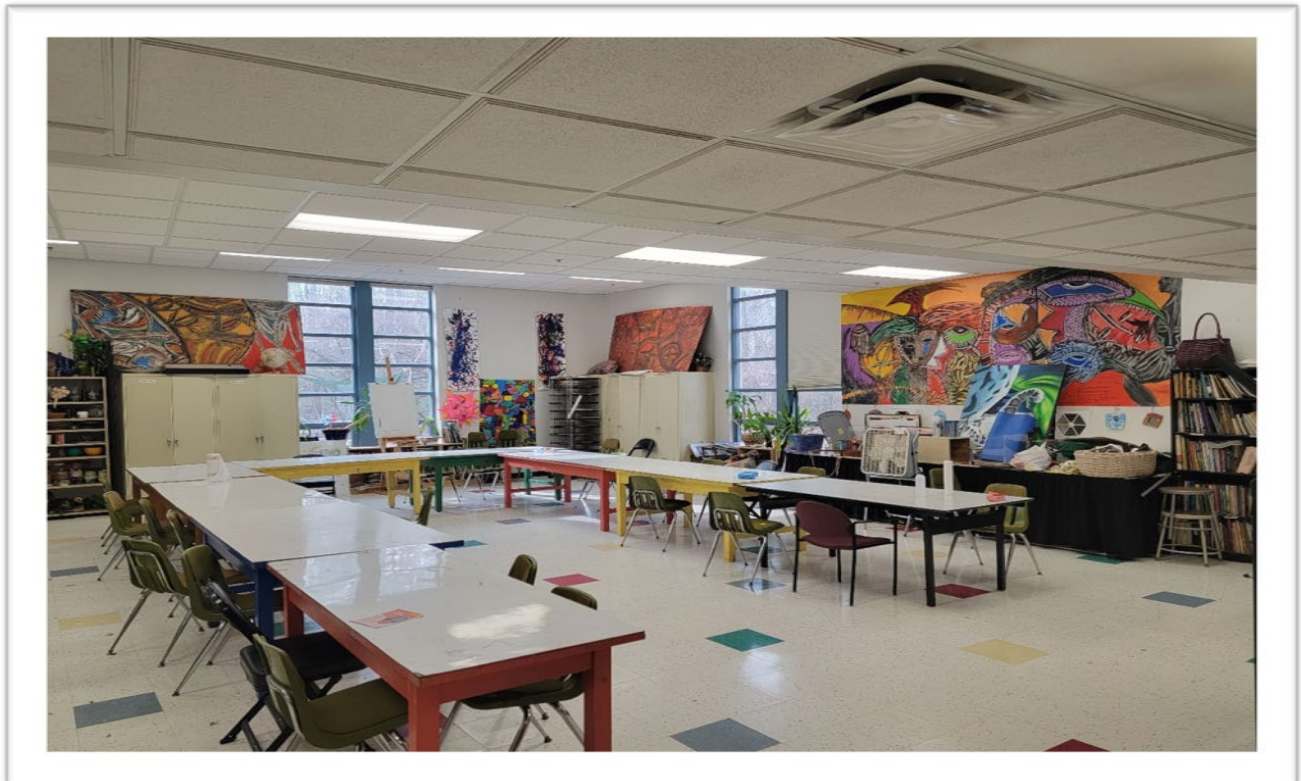
Attachment

cc: The Richmond Audit Committee  
The Richmond City Council  
Reginald Gordon, DCAO of Human Services  
Christopher Frelke, Director of Parks, Recreation & Community Facilities

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City of  
**RICHMOND**  
Office of the City Auditor

Audit Report# 2023-14  
Dept. of Parks, Recreation & Community Facilities (DPRCF)  
**Revenue Collections**  
June 5, 2023



**Audit Report Staff**

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Details of Revenue Collection Processes...**Appendix A**  
Management Responses.....**Appendix B**

# Highlights

Audit Report to the Audit Committee, City Council, and the Administration.

## Why We Did This Audit

The Office of the City Auditor conducted this audit as part of the FY2023 audit plan approved by the Audit Committee. The objective for this audit was to evaluate internal controls over the collection of revenues.

## What We Recommend:

### The Director of Parks and Recreation

- Update the DPRCF Revenue Handling Policy to be consistent with the City's policy and Comply with the City's Cash Collection Policy for depositing checks and money orders.
- Establish segregation of duties in the deposit and reconciliation process.
- Develop and implement policies & procedures for discounts & fee waivers to include authority to discount/waive fees, removing fees from the system, and creating & maintaining supporting documentation.

### The Deputy Director of Parks and Recreation:

- Develop and implement a refund policy to include document retention, required approvals, and timeliness for requested refunds.

Other recommendations were made related to internal controls and documentation.



# Parks & Recreation Revenue Collections

## Background

The Department of Parks, Recreation & Community Facilities (DPRCF) collects a variety of fees at their 21 community centers, 7 cemeteries (with 4 active), and 19 after school programs. Fees are collected for a range of services, including burial services, swimming lessons, after school care, summer camps, recreational programs for children and adults, sports leagues, and facility rentals. Other forms of revenue may include grants and donations. During CY2022, DPRCF collected approximately \$3.9 million in revenue per RAPIDS with approximately \$1.9 million coming from cemeteries.

## What Works Well

Documentation was maintained for all checks and money orders received through Cemeteries and Recreation Centers. All payments for August and September were verified in RAPIDS and there were no missing or extra amounts posted in those months.

## Needs Improvement

### Finding #1 – Revenue Processing

Internal Controls over the processing of revenue need improvement:

- DPRCF's Revenue Handling Policy is not consistent with the City's Cash Collections Policy. 44% of checks reviewed for cemeteries (69/157) were not deposited in 2 business days.
- 70% of checks reviewed for non-cemeteries (285/406) were not deposited in 2 business days.
- 4 receipts totaling \$5,270 were credited to the wrong cemetery's account.
- 11/18 vendor control sheets were not signed by Cemetery Administrators as required.
- The same employee that collected payments from the recreation centers created the pay-in, delivered the deposit and reconciled the deposit to MUNIS/RAPIDS

### Finding #2 – Refunds

DPRCF does not have a formalized refund policy and controls need improvement:

- Non-refundable fees were refunded on 11/65 refunds reviewed.
- 12 refunds issued by check did not have the required signatures.
- 2 refunds were not issued even though they showed as processed in RecTrac.
- 23 refunds did not have adequate supporting documentation to show if refunds were requested on time.

### Finding #3 – Fee Waivers & Discounts

DPRCF did not have a formal policy in place to provide guidance on issuing fee waivers or discounts. Additionally, there was no process in place to ensure all fees were collected prior to participation in programs/activities. 1/10 rosters had fees charged that did not match published rates. Supporting documentation for fee waivers or discounts were not maintained for 7/12 activity/youth sports rosters reviewed.

Management concurred with 7 of 7 recommendations. We appreciate the cooperation received from management and staff while conducting this audit.

## BACKGROUND, OBJECTIVES, SCOPE, METHODOLOGY, MANAGEMENT RESPONSIBILITY and INTERNAL CONTROLS

This audit was conducted in accordance with the Generally Accepted Government Auditing Standards promulgated by the Comptroller General of the United States. Those Standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objective.

### BACKGROUND

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The Department of Parks, Recreation & Community Facilities (DPRCF) collects a variety of fees at their 21 community centers, 7 cemeteries (with 4 active), and 19 after school programs. Fees are collected for a range of services, including burial services, swimming lessons, after school care, summer camps, recreational programs for children and adults, sports leagues, and facility rentals. Other forms of revenue may include grants and donations. The department uses a revenue tracking system called RecTrac to input, manage, and track payments. The system is also used for activity registration, sports league scheduling, child and youth management, managing facilities and equipment, and enabling a point of sale for vendors and other miscellaneous payments. The online module, WebTrac, is used by citizens to register for programs, schedule events, and make online payments that synchronize with RecTrac.

During CY2022, DPRCF collected approximately \$3.9 million in revenue per RAPIDS with approximately \$1.9 million coming from cemeteries.

All fee rates except activities and programs are set by City Ordinance. Activity and program fees are determined by researching fees at other localities. Fees can be paid by check, money order, or credit card in person on-site, over the phone, and online. Cash is not accepted at any location for any fees. Below is a flowchart detailing the flow of revenue from DPRCF intake centers to be deposited at City Hall, Room 102.

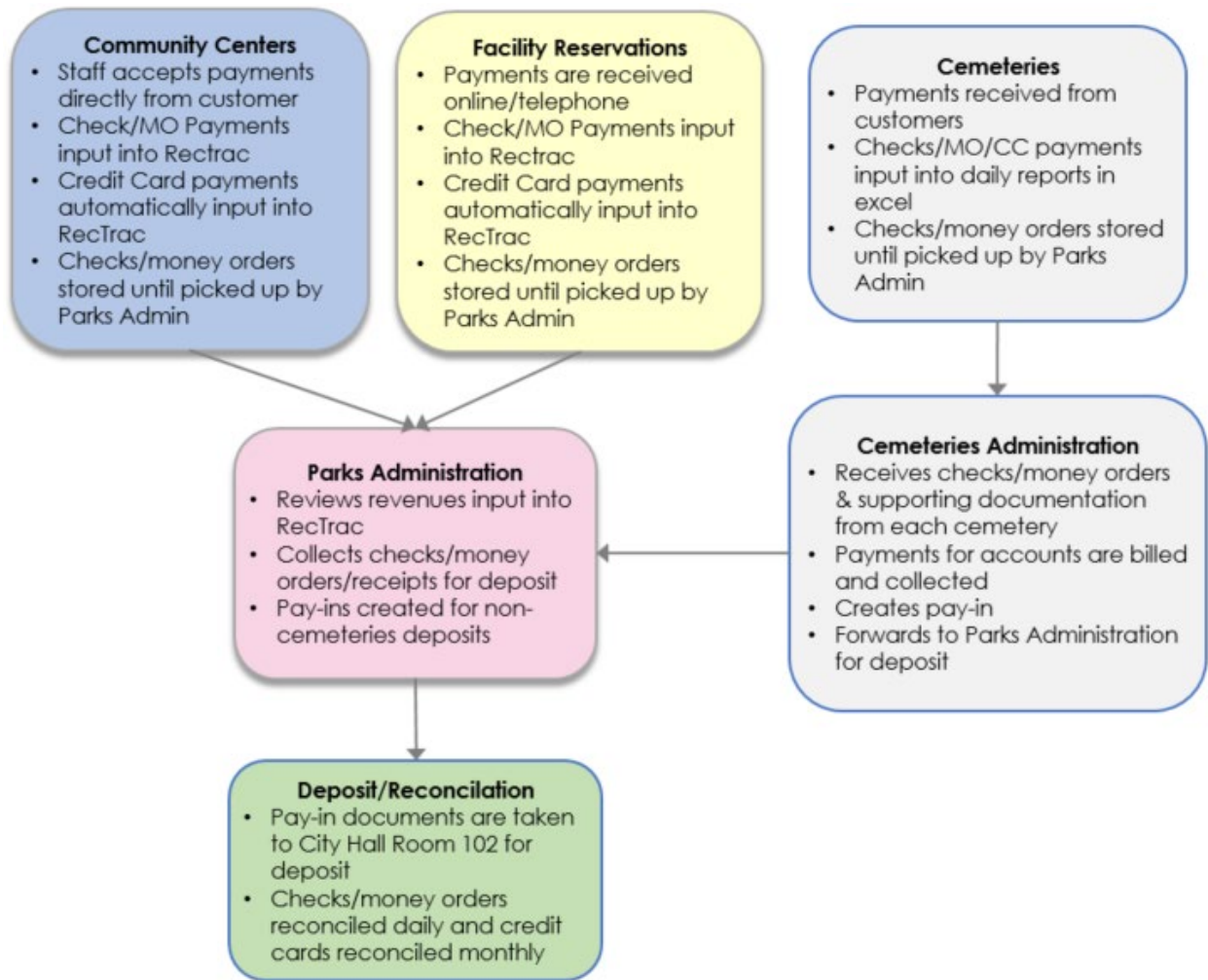
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# Richmond City Auditor's Report #2023-14

## Parks & Recreation Revenue Collections Process

June 5, 2023

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Details of major areas of the revenue collection processes are shown in Appendix A of the report.

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### OBJECTIVE

The objective of this audit was to evaluate internal controls over the collection of revenues.

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### SCOPE

The scope of this audit included all revenues collected by DPRCF for the 12 month period ending December 31, 2022 and the current operating environment.

## METHODOLOGY

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The auditors performed the following procedures to complete this audit:

- Interviewed staff to understand the processes and procedures related to revenue collections at DPRCF recreation centers, cemeteries and facility rentals.
- Reviewed and analyzed all receipts and deposit documentation for August and September 2022 from cemeteries and RecTrac for accuracy and timeliness.
- Reviewed the General Ledger to ensure that deposits went into RAPIDS and the correct accounts.
- Traced credit card payments for Cemeteries and Non-Cemetery/RecTac receipts to reconciliation prepared by Parks-Finance and to the General Ledger.
- Reviewed a sample of 65 refunds from RecTrac and Cemeteries.
- Reviewed instances where total refunds issued were greater than fees originally paid.
- Reviewed a sample of 10 programs pulled from RecTrac and compared to published fees to ensure that the correct fee was applied. Compared rosters to total revenues received in RecTrac for that program to ensure that all revenue was collected.
- Selected a sample of transactions that showed discounts were applied and reviewed documentation related to those discounts to ensure they were applied appropriately.
- Reviewed a sample of 15 Facility Reservations and 5 Point of Sale types pulled from RecTrac and compared to published fee and/or ordinance when applicable to ensure the correct fee was applied.
- Randomly selected a sample of 5 youth sports programs and rosters and reviewed supporting documentation for instances where fees were waived to ensure fees were waived appropriately.
- Conducted other tests, as deemed necessary.

## MANAGEMENT RESPONSIBILITY

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City of Richmond management is responsible for ensuring resources are managed properly and used in compliance with laws and regulations; programs are achieving their objectives; and services are being provided efficiently, effectively, and economically.

## INTERNAL CONTROLS

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According to the Government Auditing Standards, internal control, in the broadest sense, encompasses the agency's plan, policies, procedures, methods, and processes adopted by management to meet its mission, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It also includes systems for measuring, reporting, and monitoring program performance. An effective control structure is one that provides reasonable assurance regarding:

- Efficiency and effectiveness of operations;
- Accurate financial reporting; and
- Compliance with laws and regulations.

Based on the audit test work, the auditors concluded the internal controls need improvement for DPRCF revenue collections and processing. Details of these findings are discussed throughout the report.

## FINDINGS and RECOMMENDATIONS

### What Works Well

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#### Cemetery Revenues

The auditors reviewed 189 Cemetery receipts, totaling \$303,799, for August and September 2022.

Receipts and supporting documentation were maintained for all transactions. Correct fees were charged for 183 out of 188 receipts, and the auditor could not conclude on 5 due to foundation



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dimensions not being provided. Additionally, all payments were recorded on the daily cash and credit sales reports and in RecTrac for installment payments and included on pay-ins.

#### **Non-Cemetery/RecTrac Revenues**

There were 1,042 payment transactions, totaling \$125,928, posted in RecTrac during August and September 2022. Documentation was maintained for all pay-in and deposit information for all 406 transactions where applicable, and each transaction was included on a pay-in.

#### **Revenues Traced to General Ledger**

The auditor verified all payments in RAPIDS for August and September 2022 and there were no missing or extra amounts posted in those months.

#### **What Needs Improvement**

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##### ***Finding #1 – Revenue Processing***

###### **Condition:**

DPRCF's Revenue Handling Policy states that revenue collected that is less than \$500 should be deposited within 5 business days, and revenue greater than \$500 should be deposited within 24 hours. This is not consistent with the City Finance's Cash Collection policy which states that all cash receipts should be deposited within 2 business days.

###### **Cemetery Receipts**

The auditors reviewed 189 cemetery receipts totaling \$303,799 from Maury, Oakwood, Mt. Olivet, Riverview, and Shockoe cemeteries from August and September 2022.

157 of these payments were received via check. The auditors reviewed all these payments and noted the following:

- 69 (44%) were not deposited within 2 business days of receipt per the City's Cash Collection policy.

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- Payments were deposited on an average of 4 calendar days after the date they should have been deposited; 1-15 calendar days passed the deposit date per City policy.
- All check payments were included on pay-ins, however, 4 receipts totaling \$5,270 were credited to the wrong cemetery.

There were 2 instances where the same person prepared the pay-ins for deposit and also made the deposit.

Out of 18 vendor control sheets reviewed for August and September, 11 were not signed by Administrators.

#### *Non-Cemetery/RecTrac Receipts*

The auditors reviewed the pay-in and deposit information for all 452 check or money order transactions totaling \$57,057 during August and September and noted:

- A copy of the pay-in receipt was maintained for 406 with the remaining 46 transactions deemed not applicable for the following reasons: zeroed out/reversed, applied as a household credit, correction for another transaction, or deposited outside of the sample.
- Each applicable transaction was included on the pay-in.
- The person that created the pay-in is the same as the person who also made the deposits and reconciled the deposits to MUNIS and RAPIDS.

In reviewing the 406 applicable deposits for timeliness, the auditors noted the following:

- 285 (70%) were not deposited in 2 business days per the City's Cash Collection Policy. On average transactions were deposited 8 calendar days after they were received (ranging from 3-25 days).

Additionally, while reviewing pay-ins and deposit support, there were 18 checks that were not entered into RecTrac. The auditor could not conclude if these checks were deposited timely because there was no receive date indicated on the information provided. Pay-ins and deposit receipts were maintained for all the deposits.

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### Criteria:

The City Finance's Cash Collection policy states that all cash receipts should be deposited within 2 business days. Additionally, segregation of duties between the person collecting, preparing and delivering the deposits from reconciling is a good business practice.

Monthly vendor control sheets should be signed by the Cemetery Administrators. These reports are compiled into monthly statements that are signed by the Cemetery Manager and sent to the vendors.

### Cause:

DPRCF has multiple recreation centers throughout the City. It can be difficult to collect deposits from all locations and bring them to City Hall within 2 days. The main priority of recreation staff is the safety of children, and they cannot leave their centers without adequate coverage to deliver deposits to the administrative office the same day revenues are collected.

Additionally, staffing shortages affect segregation of duties and the timeliness of deposits.

Reports may not be signed if either the Cemetery Administrators or Manager are out of the office.

### Effect:

Not complying with the Finance's Cash Collection policy can cause a delay in deposits and postings and an increased risk of checks/money orders being lost or stolen. Lack of segregation of duties increases the risk of fraud and errors going undetected.

### ***Recommendations:***

- 1. We recommend that the Director of Parks and Recreation update their Revenue Handling Policy to be consistent with the City Finance's Cash Collection Policy to deposit checks and money orders.*
- 2. We recommend that DPRCF Finance correct the 4 cemetery payments that were placed in the incorrect accounts.*

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- 3. We recommend that the DPRCF Cemetery Administrators and Cemetery Manager sign off on reports as required.*
- 4. We recommend that DPRCF comply with the City Finance's Cash Collections policy for depositing checks and money orders.*
- 5. We recommend the Director of Parks and Recreation establish segregation of duties in the deposit and reconciliation process.*

### ***Finding #2 – Refunds***

#### **Condition:**

DPRCF does not have a formalized refund policy. Most refunds did not require documented approvals.

During CY2022 there were 543 refunds processed in the RecTrac system. The auditors reviewed 65 or (12%) of the refunds issued as follows:

- 40 credit card refunds (\$11,213)
- 20 check refunds (\$2,695)
- 5 household credit refunds (\$1,615)

The auditors noted:

- All fees refunded were originally paid in RecTrac with refunds to the original Payee.
- All refunds were equal to or less than the original amount and were for the payment indicated.
- 11 Refunds included a non-refundable \$20 fee (\$220) that should not have been refunded.
- 12 check refund forms did not have two staff signatures as required. (\$825)
- 2 check refunds were not issued, even though they were documented as completed in RecTrac (\$180).
  - Due to the audit the refund process was initiated for both.
- 23 did not have adequate support documentation to demonstrate if refunds were requested on time.

There were no exceptions for the three FY2022 Cemetery refunds (\$2,745) processed as all were approved, reasonable and documented.

In reviewing the system, the auditor noticed 4 facility line items with more total refunds than total fees paid in CY2022. The auditor noticed that refundable ground fees also had more refunds than total fees paid. In reviewing all 4 facilities and 10 of 91 ground fees, all were reasonable as they were previously paid with household credits and tied to original payments in the system. No exceptions were noted.

**Criteria:**

Activities refunds are most commonly given for participants moving, illness, or low enrollment.

Facilities refunds are usually given due to inclement weather or if a renter failed to meet certain conditions (insurance, permits, etc.). Cemetery refunds are usually for upfront payments for government markers, but the government turns down their request.

DPRCF procedures note:

Refunds, cancellations and transfers for a program or class can only be made by contacting the facility at which the class is held and facility rentals should contact the Parks, Permits and Scheduling Office. Refunds cannot be processed online but the following documents must be submitted to the DPRCF Finance Division for processing:

1. Programs: Refund requests must be received at least 3 business days prior to the second class.
2. Facilities/Special Events: Refund requests must be in writing at least 7 days prior to the event date.
  - a. The Director of DPRCF and his/her Designee reserve the right to cancel the event at any time.
3. Camp: Requests for refunds must be received no later than the second day of camp. No refunds will be granted after that date.

Transfers will not be permitted online. Transfers to another program, class, or facility must be requested in writing at least 3 business days prior to the class or reservation date. Transfers may be allowed if space or the location is available.

The \$20 administrative fee for rentals of park locations, picnic shelters, athletics fields, mobile stages, park houses and community centers are non-refundable, as well as the non-resident and permit processing fees.

**Cause:**

DPRCF did not have the Refund Policy formalized and implemented nor did they have requirements for documentation retention.

**Effect:**

Non-refundable amounts were refunded, and other ineligible refunds could have been processed as approvals were not documented or required for some refund types. In addition, refunds requested after their deadlines could have been issued.

***Recommendation:***

- 6. We recommend that the Deputy Director of Parks and Recreation develop and implement a refund policy to include document retention, required approvals and timeliness for requested refunds.***

***Finding #3 – Fee Waivers and Discounts***

**Condition:**

DPRCF collects a variety of fees for a range of services, including burial services, swimming lessons, after school care, summer camps, recreational programs for children and adults, sports leagues and facility rentals. DPRCF did not have a formal policy in place that provided guidance on issuing fee waivers or discounts. Also, there was no process in place to ensure all fees were collected prior to participation in programs/activities.

Below is a summary of the audit observations:

- 15 Facility Rentals tested had fees applied accurately
- 10 Activities Rosters tested:
  - 9 rosters' fees matched established rates
  - 1 roster had fees charged that did not match the published fee in Digest because the fee rate was incorrectly applied by a new staff member
- 8 Activity Rosters with discounts:
  - 5 rosters had discounts applied that were reasonable.
  - 2 rosters had some discounts for which auditors could not determine reasonableness.
  - 1 roster had a rate that was incorrectly applied and they were not true discounts.
  - In reviewing the supporting documentation:
    - 3 rosters had support documentation for all discounts applied.
    - 2 rosters did not have support documentation for discounts applied.
    - 1 roster had partial support as only some discounts could be supported.
    - 1 roster the auditor did not receive support for and therefore could not conclude.
    - 1 was not applicable as the fee was an error.
- 5 Youth sports rosters:
  - All five fees charged in rosters matched the published amount
  - Of the 5 programs, 4 had at least one fee waived or discounted for a participant:
    - 3 - supporting documentation could not be provided to support discount
    - 1 - Only some of the participants receiving waivers/discounts had supporting documentation
- 5 Point-of-Sale transaction types:
  - 2 fee types had transactions where fees were accurately applied
  - 2 fee types had transactions where fees were not accurately applied
  - 1 of the Point-of-Sale sample items, the auditor CNC on 2 of 3 transactions selected for review

**Criteria:**

Fees are required to be paid prior to the start of an activity or program. Fee rates are set by City Ordinance except for activities and programs which are determined by researching what other localities are charging. Financial assistance in the form of scholarships, discounts or fee waivers are available to participants that need it.

Scholarships to specialty camps may be available to children either on Temporary Assistance of Needy Families (TANF) or live in public housing. To have a fee waived or scholarship, a TANF letter or letter from Housing must be provided.

Fees for youth sports programs may be discounted or waived if the child lives in public housing.

**Cause:**

Management has not formalized policies and procedures to provide a consistent process for documenting and issuing fee waivers and discounts. DPRCF does not want to exclude youth that wants to participate in programs/activities because of any outstanding balances or their inability to pay.

**Effect:**

By not collecting fees upfront or adequately documenting waivers/discounts in the system, balances may be created that are not collected.

- In January 2023, DPRCF made the decision to write off approximately \$60,060 in outstanding balances from 2018 to September 2022 for activities and programs for Richmond City residents.
- Additionally, there are still approximately \$220,563 in outstanding balances on customer accounts due from activities, facilities & events within DPRCF's system as of April 26, 2023. (This amount includes current balances and payment plans.)
- Improved documentation of fee waivers and discounts can promote consistency.



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***Recommendation:***

- 7. We recommend that the Director of Parks and Recreation develop and implement policies and procedures for discounts and fee waivers to include authority to discount/waive fees, remove fees in the system and create and maintain supporting documentation.*

## Details of Revenue Collection Processes

### **Community Centers**

All payments received at the community centers are entered into RecTrac by DPRCF staff when registering a participant for a program. Credit card machines are available at Pine Camp Arts and Community Center, Aquatics Center (Pools) and Parks-Administration. Credit card payments at other locations are called into Parks-Administration to process when needed. Credit card payments whether processed on-site or online are automatically deposited in the City's concentration account. Checks and money orders received by staff are stored in a locked location with limited access until ready for deposit.

Checks and money orders received at community centers are monitored by Parks-Administration daily through a Cash Journal Report from RecTrac and should be either picked up by or forwarded to Parks-Administration staff for deposit each day.

Financial assistance in the form of scholarships, discounts or fee waivers is available to those in need. Scholarships to specialty camps may be available to children if funds are available and the child is either on Temporary Assistance of Needy Families (TANF) or lives in public housing. To have a fee waived or a scholarship, a TANF letter or letter from Housing must be provided. Fees for youth sports programs may also be waived if the child lives in public housing and discounts may be applied based on income or multi-child registration.

According to the RecTrac Cash Journal Report, DPRCF received approximately \$263,606 in payments for recreation programs for adults and children, sports, and other activities at community centers for CY2022.

### **Facility Reservations**

In addition to fees collected for programs and classes at the community centers, DPRCF earns revenue from issuing permits for special events, festivals and TV/movie productions; fees for facility and athletic field rentals; and larger recreation programs such as summer camps and after school programs at community centers. They also collect vendor permit fees from merchants at special events. These payments are maintained in RecTrac. According to the RecTrac Cash Journal Report, the department collected approximately \$120,000 in fees related to facility rentals and \$249,000 in various permits, deposits and other fees not related to facility rentals or activities during CY2022.

Most of these fees are paid via credit card online or over the phone. Registrations for after-school programs/camps and scheduling/payment for special events are typically completed online, but community centers can process registrations and payments through RecTrac on-site.

As with community center programs, payments made online through WebTrac are automatically updated and tracked in RecTrac and deposited in the City's concentration account.

### **Cemeteries**

The bulk of DPRCF's revenues come from the 4 active cemeteries (Oakwood, Maury, Mt. Olivet and Riverview). Cemeteries is an enterprise fund. This means they are a self-supporting fund that provides services to the public for a fee. Fees typically consist of gravesites, openings and closings and foundation fees. Cemeteries accept checks, money orders and credit card payments on-site. Payments are tracked and maintained manually through daily and monthly Excel reports and RecTrac is not used to maintain or

track full payments. Each active cemetery has an administrator that is responsible for tracking and maintaining documentation for payments.

Citizens and funeral homes that do not have an account with the City that need services pay the cemetery directly. All payments, regardless of type, are recorded on a Daily Cash Sales or Credit Sales Report in Excel that is signed off by the Administrator. Credit card payments are automatically deposited into the City's concentration account. Checks/money orders and receipts are attached to the Daily Sales Reports and forwarded Cemeteries Administration at Riverview Cemetery to be signed off by the Cemeteries Manager and create the pay-in for deposit. Once the pay-in is created, it is delivered to Parks-Administration to review and deposit, and this should be done daily. The Cemeteries Manager receives a paper receipt from the Senior Management Analyst at Parks-Administration once reviewed.

Funeral homes and monument makers that have accounts with the City are not required to pay at the time of the service. Invoices are completed and forwarded from the Cemeteries Administrator to the Cemeteries Manager and entered in the vendor control sheet. At the end of the month, the Cemeteries Manager creates statements and mails them to the account holders monthly. Charge accounts are typically paid by check and when payments are received, they are deposited in the same manner as other revenues.

In July 2022, the City began accepting installment payments for services. Twelve or twenty-four month plans are available for people purchasing single graves, family lots, columbarium niches or benches. A \$50 non-refundable deposit is required along with the first month's payment. This amount will then count towards the balance due. These payments can be made by check, money order or credit card, and are the only cemetery revenues that are tracked in RecTrac. Checks/money orders are forwarded to Parks-Administration to be entered into both RecTrac and a separate Excel spreadsheet is used for tracking installment payments. The Cemeteries Manager completes the cemetery pay-in form for deposit at City Hall by Parks-Administration. Credit card payments for installment payments are handled the same as any cash sale in that they are included on the Daily Cash Report and automatically deposited in the City's concentration account.

### **Deposits and Reconciliations of Revenues**

Parks-Administration reviews the revenues entered into RecTrac each day by community centers so that they know who is putting revenues in and what should be received for deposit. The Senior Management Analyst at Parks Administration is responsible for collecting the payments/receipts, creating the pay-in documentation for deposits and taking the funds to City Hall. Once deposited, the Senior Management Analyst then compares the receipt totals from the deposit to RecTrac and MUNIS to ensure that all funds are posted. Supporting documentation is kept and maintained for all deposits. City policy states that deposits of \$100 or more should be deposited within 2 business days. DPRCF's Revenue Handling Policy states that revenue greater than \$500 must be deposited within 24 hours, and less than \$500 must be deposited within 5 business days.

Once funds are deposited at City Hall, the Parks Administration Senior Management Analyst records the date and time the batch was posted to MUNIS in a reconciliation spreadsheet. Checks and money orders are reconciled the day they are deposited, and credit card payments are reconciled monthly. There is also no overall reconciliation of all Parks accounts to ensure that only Parks funds are deposited in these accounts. If a discrepancy occurs, Parks-Administration research to determine the cause and corrects as needed.

## **Credit Card Processes and Reconciliations**

Credit card receipts are reconciled monthly by Parks-Administration. There are no reconciliations of credit card receipts done in the community centers or cemeteries. The bank has a program called Business Track that is used to pull receipts paid via a credit card terminal. For cemetery receipts, pay-in forms from the Cemetery Manager are used to apply receipts to the appropriate fund, cost center and service code. For non-cemetery receipts, the fund, cost center and service code are determined by the owner/use of the terminal (aquatics, cultural arts, etc.). The receipt totals from Business Track are then compared to the Finance Department's bankcard entries in the department's miscellaneous revenue account and discrepancies are addressed.

Additionally, a RecTrac report is generated to pull receipts for payments paid online or by phone. Debit entries are changed to reflect refunds and appropriate DPRCF service descriptions. Transactions are then summed by service description and assigned an accounting string. RecTrac receipt amounts are compared to the Finance Department's Elavon (payment processing program) entries. Discrepancies between RecTrac and Finance's Elavon entries are reviewed and resolved by comparing entries in Payments Insider (customer portal for managing payments) and Plug'n Pay (the vendor who accepts DPRCF's customer payments online and by phone).

DPRCF then compares data between Finance's General Ledger Detail report pulled from RAPIDS and RecTrac/Bankcard receipts.

**APPENDIX B: MANAGEMENT RESPONSE FORM**

**2023-14 DPRCF Revenue Collections audit**

#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
1	We recommend that the Director of Parks and Recreation update their Revenue Handling Policy to be consistent with the City Finance’s Cash Collection Policy to deposit checks and money orders.	Y	Revenue Handling Policy will be updated to be consistent with the City's Finance Cash Collection policy. Once the policy is approved and adopted, training will be provided for key staff.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Director of Parks and Recreation		1-Aug-23
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
2	We recommend that DPRCF Finance correct the 4 cemetery payments that were placed in the incorrect accounts.	Y	The 4 payments will be identified and a JV will be created to move the revenues to the correct accounting strings.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Management Analyst, Senior		15-Jun-23
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
3	We recommend that the DPRCF Cemetery Administrators and Cemetery Manager sign off on reports as required.	Y	Monthly vendor control sheets will be signed by the Cemetery Administrators. The Cemetery Manager will sign the monthly statements that are sent to the vendors.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Cemetery Manager		1-Jul-23
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
4	We recommend that DPRCF comply with the City Finance’s Cash Collections policy for depositing checks and money orders.	Y	DPRCF will comply with the City Finance's Cash Collections policy by depositing checks and money orders within 2 business days. DPRCF's revenue handling policy will be updated to be consistent with the City Finance’s Cash Collection Policy. Once the policy is approved and adopted, training will be provided for key staff.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Management Analyst, Senior		1-Jul-23
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION

**APPENDIX B: MANAGEMENT RESPONSE FORM**

**2023-14 DPRCF Revenue Collections audit**

#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
5	We recommend the Director of Parks and Recreation establish segregation of duties in the deposit and reconciliation process.	<b>Y</b>	Segregation of duties will be established for revenue handling. One staff person will be responsible for depositing revenues and another staff person will be responsible for the reconciliation process.
	<b>TITLE OF RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Director of Parks and Recreation		1-Aug-23
	<b>IF IN PROGRESS, EXPLAIN ANY DELAYS</b>		<b>IF IMPLEMENTED, DETAILS OF IMPLEMENTATION</b>
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
6	We recommend that the Deputy Director of Parks and Recreation develop and implement a refund policy to include document retention, required approvals, and timeliness for requested refunds.	<b>Y</b>	A formalized policy will be created that addresses document retention, required approvals and timeliness of refunds. Once the policy is approved and adopted, training will be provided for key staff.
	<b>TITLE OF RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Deputy Director of Parks and Recreation		1-Aug-23
	<b>IF IN PROGRESS, EXPLAIN ANY DELAYS</b>		<b>IF IMPLEMENTED, DETAILS OF IMPLEMENTATION</b>
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
7	We recommend that the Director of Parks and Recreation develop and implement policies and procedures for discounts and fee waivers to include authority to discount/waive fees, remove fees in the system, and create and maintain supporting documentation.	<b>Y</b>	Formalized policies and procedures will be created for discounts and fee waivers. Authority to discount/waive fees, remove fees in RecTrac, and maintenance of supporting documentation will be addressed. Once the policy is approved and adopted, training will be provided for key staff.
	<b>TITLE OF RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	Director of Parks and Recreation		1-Aug-23
	<b>IF IN PROGRESS, EXPLAIN ANY DELAYS</b>		<b>IF IMPLEMENTED, DETAILS OF IMPLEMENTATION</b>