

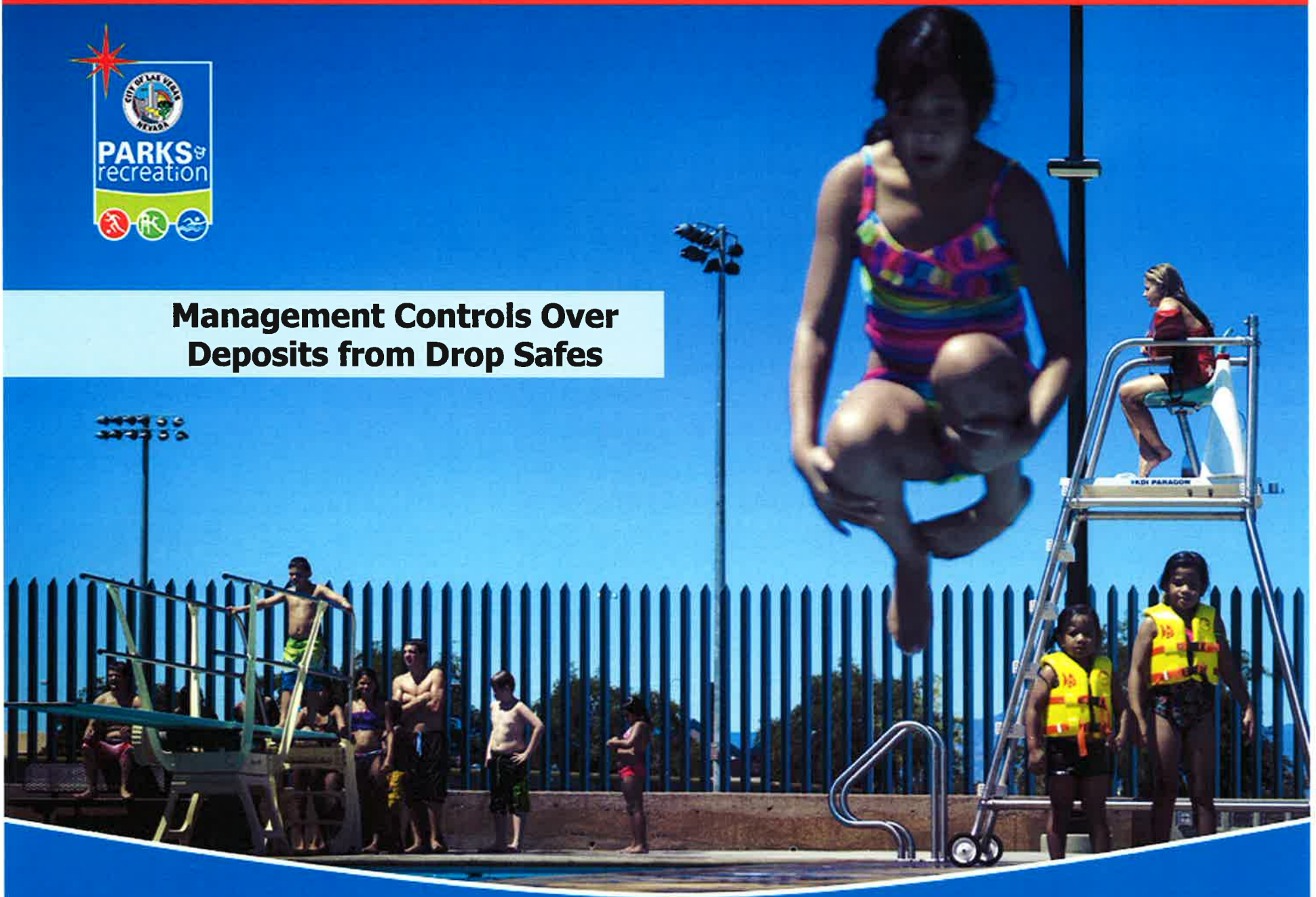


## **Audit Status - February 2015**





## Management Controls Over Deposits from Drop Safes





## CAO 1605-1314-08

- Audit performed May 12, 2014
- Objectives
  - Ensure existing controls from drop safes are adequate to protect the City's funds.
  - Ensure department employees are properly trained on cash handling procedures.
  - Ensure existing controls provide identification of missing deposits.
- Scope of Audit
  - Community centers
  - Municipal pool





## Findings

- A total of 13 issues were identified for management address that were associated with 5 areas of concern.
  1. Customer Receipts Not Provided
  2. Deposits Not Made Within One Business Day
  3. Incomplete Deposit Log Sheets
  4. Safe Combinations
  5. Daily Cash Balancing Report Column Deleted on Safe Log Sheet





## Conclusions

- Departments: Parks and Recreation and Finance
  1. Existing controls over deposits from drop safes are adequate, but procedures not always followed.
  2. Department staff are properly trained, but increased efforts and refresher training urged.
  3. Existing controls do provide timely identification of missing deposits, but some procedures could be shored up.





## Management Response

- Development of official department cash handling procedures.
- Mandatory staff training held in September 2014.
- As of December 2, 2014, all items have been addressed and are currently being tested by the auditor for compliance to officially close out the audit.





## Management Controls Over Employee Overtime





## CAO 1604-1314-09

- Audit performed May 12, 2014
- Objective
  - Evaluate the adequacy of the management controls in place to ensure overtime hours incurred by department staff are properly approved, classified and recorded.
- Scope of Audit
  - 105 full-time classified employees eligible for overtime





## Findings

- A total of 15 issues were identified for management address that were associated with 5 areas of concern:
  1. Overtime Approval and Monitoring Process Deficiencies
  2. Inadequate Support for Callback Hours
  3. Overtime Management Deficiencies
  4. Enhancements Needed in Overtime Monitoring by Finance
  5. Clarifications Needed in Labor Contract Verbiage





## Conclusions

- Departments: Parks and Recreation, Finance, and Human Resources
  1. PR management to implement a more efficient and effective process for approving and monitoring employee overtime.
  2. Finance management to review the appropriateness of the classification of callback hours against NVPERS policies and city payroll documents.
  3. PR management to address deficiencies in the oversight of employee overtime.
  4. Finance to implement a formal process for routinely monitoring employee overtime on a city-wide basis.
  5. Human Resources to improve the verbiage on callback time in the LVCEA Labor Contract to more clearly reflect the NVPERS policies.





## Management Response

- Development of official department overtime/callback procedures and new automated pre- and post-approval form.
- Mandatory staff training held in January 2015.
- As of January 14, 2015, Parks and Recreation has only one remaining item that is being tested by the auditor. All other department items have been passed and are closed out.





## **Audit Status - February 2015**





## Management Controls Over Sports Fields Administrations





## CAO 1603-1011-03

- Audit performed September 22, 2010
- Objectives
  - To evaluate the adequacy of controls over the administration of the City's sports fields.
- Scope of Audit
  - Limited to an evaluation of the controls over the administration and monitoring of the City's sports fields.
  - Testing of records was primarily limited to a review of transactions from July 2008 through December 2009.

The last date of fieldwork was May 28, 2010.





## Findings

A total of 15 areas of concern were found relating to the adequacy of the controls over the administration of the City's sports fields.

1. Limited assurance fees were always collected
2. Segregation of Duties Deficiencies
3. Proper authorization of transactions
4. Class data input inconsistencies
5. Inequities in the Allocation of fields
6. Lighting of sports fields
7. City sponsored leagues liability waivers
8. Liability waiver retention
9. League and Tournament user group liability waivers
10. Certificate of general liability insurance
11. Security requirements
12. Concession permits
13. Non-profit status
14. Memorandum of understanding
15. Disabling Class user access





## Conclusions

- Departments: Parks and Recreation
  1. Existing controls over City sports fields were either non existent or deficient.
  2. Department staff were not properly trained.
  3. Parks and Recreation needed to create new policies and procedures that addressed the lack of controls in the City's sport fields administration.





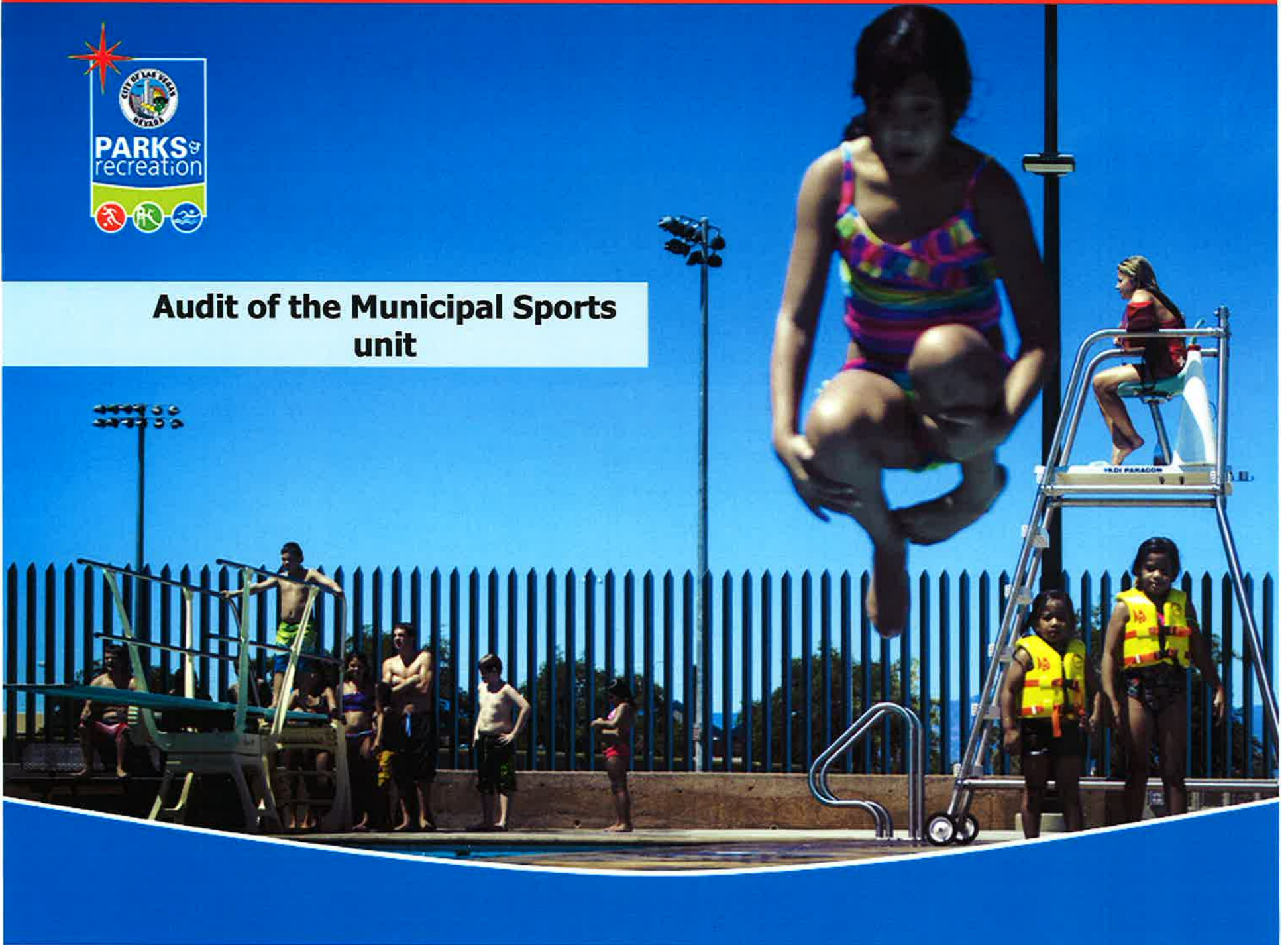
## Management Response

- Developed official department sport field administration policies and procedures.
- Conducted mandatory staff training for all municipal sports staff.
- As of January 26, 2014, all items have been addressed and the audit is officially closed.





## Audit of the Municipal Sports unit





## CAO 2902-1112-03

- Audit performed January 5, 2012

- Objective

The objectives of this audit were to determine:

- The process followed by MSU staff to transfer management of the city league to the commercial league.
- If the city was adequately compensated for the additional soccer fields allocated to the commercial league.
- If there were any conflicts of interest relating to MSU staff members.
- If there were any inappropriate uses of city resources by MSU staff members.

- Scope of Audit

The scope of the audit was limited to the operational concerns related to the oversight of this commercial league and included the period of July 2010 through March 2011. The last fieldwork date was March 31, 2011.





## Conclusions and Findings

- A total of 5 issues were identified for management to address that were associated with 4 areas of concern:
  1. The process followed by MSU staff to transfer management of the city league to the commercial league was inappropriate.
  2. The city was inadequately compensated for the additional soccer fields allocated to the commercial league.
  3. The following conflicts of interest related to MSU staff members were noted:
    - A part-time city employee violated city policy by participating in and benefiting from transactions with an outside vendor with whom he was employed.
    - Two city employees failed to comply with the city's Outside Employment Policy and Procedure.
  4. A part-time city employee inappropriately used his city-issued cell phone to conduct business for the commercial league with whom he was employed and did not reimburse the city for the usage.





## Management Response

- Implemented a policy on January 18, 2011 that required staff to ensure that a memorandum of understanding be completed when conducting business with outside entities. Mandatory staff training held in January 2015.
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- Implemented policies and procedures to assure that all fees are received from organizations using city fields.
- Provided all staff with the official policy and procedure as it relates to appropriate employee-vendor relationships and outside employment through a mix of communication channels. Employee-vendor relationships and outside employment were covered in each employee's annual performance evaluation to ensure understanding and compliance. Enforce the HR 3.12.01 Outside Work Request Policy.
- Management formally communicated the appropriate usage of city-issued cell phones through the Director's weekly e-mail newsletter to all staff, at an upcoming department business workshop, and as part of the employee's annual performance evaluation.
- As of December 11, 2014 all audit items have been addressed and the audit is officially closed.

