Audit Highlights
March 2017

Parks and Recreation Department Cash Handling



Objective

The objective of the audit was to determine if PARD accounted for all the money it received. This audit was included on our FY2016 Audit Plan after PARD and City Auditor staff identified risks related to cash management in prior audits and investigations.

Background

PARD operates a wide range of facilities for Austin residents and visitors. Many of these sites charge visitors entrance or usage fees.

City policy outlines procedures for handling money and outlines responsibilities for department directors, staff that handle money, and the Financial Services Department. Specific procedures address things like receiving and depositing money, and reconciling transactions. The City's policy also requires that all employees who handle money receive training.

What We Found

Parks and Recreation Department (PARD) staff made efforts to comply with the City's cash handling policies. However, several issues resulted in an increased risk that PARD may be missing revenue including:

- lack of information to verify that correct fees were charged and collected;
- inconsistent oversight of cash handling operations;
- technology limitations that create an opportunity for theft; and
- continued acceptance of paper money.

Also, while some PARD sites are taking steps to reduce the amount of paper money they collect, such a change could create both benefits and challenges.

Benefits	Challenges
Fewer resources spent storing, transporting, and depositing	Some visitors may have no other payment option
Reduced risk of theft or robbery	Additional credit card processing fees
Additional resources available for operational needs	Increased risk associated with securing credit card information
Reduced training need	

We also noted opportunities to better align policy requirements with the different operating environments at the various PARD sites. For example, in some cases, not following the policy requirements appeared to be done for justifiable reasons. In other cases, efforts to comply with the policy seemed to result in inefficiencies.

What We Recommend

The PARD Director should identify ways to determine expected revenue, reduce paper money, and improve oversight of the department's cash handling operations.

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