October 2013

Special Request Results

Why We Did This Report

This memo responds to a request from Mayor Pro Tem Cole to provide information on how cash proceeds collected by PARD Golf Enterprise Fund employees were accounted for and controls over these collections.

What We Did

To complete this special request, we:

- reviewed the transactions related to the objective in the Advantage accounting system;
- conducted interviews with Golf Enterprise Funds staff and Controller's Office staff; and
- analyzed information provided by Golf Enterprise Fund employees.

For more information on this or any of our reports, email oca_auditor@austintexas.gov

SPECIAL REQUEST REPORT ON PARD SPECIAL EVENTS PARKING REVENUE COLLECTION

Mayor and Council,

I am pleased to present this special request report on Parking and Recreation Department (PARD) special events parking revenue collected by employees funded through the Golf Enterprise Fund.

BACKGROUND

Since 2008 the employees of Golf Enterprise Fund have collected the parking fees for the Austin City Limits (ACL) festival at PARD-maintained baseball field parking lots, which are properties not owned by the Golf Enterprise Fund. Golf Enterprise Fund management indicated that the PARD Director assigned this responsibility to them since it provides an opportunity to have an additional source of revenue. In addition, PARD employees have collected parking fees from events such as Blues on the Green and the Summer Musical events. These are deposited in the general fund as PARD revenues.

OBJECTIVE AND SCOPE

Our objective was to obtain information on how cash proceeds from special events parking were accounted for and the controls over these collections. The scope included FY 2011 through FY13.

WHAT WE FOUND

We found that the cash proceeds from ACL parking were accounted for as Golf Enterprise Fund revenues and handled in compliance with the City's Cash Handling Policy.

During the period of FY 2011 and FY 2013, the parking fees from ACL were $12,930 and $20,705, respectively. Since the ACL events took place in September of 2011 and October of 2012, there was no event held in during FY 2012.

We noted the procedures in place to collect and deposit parking fees from ACL events were in compliance with the City's Cash Handling Policy. However, we did not test the effectiveness of the cash handling procedures. In addition, the cash collected from ACL event parking fees was recorded as revenues from golf tournaments in the Advantage accounting system (City's system of record). This treatment may not have been the appropriate way to account for these revenues. We have forwarded this information to the Controller's Office in order to ensure the revenues were properly recorded.

We appreciate the cooperation and assistance we received from Golf Enterprise Fund staff for this special request.

Kenneth J. Mory, City Auditor