

California State University, San Bernardino
5500 University Parkway
San Bernardino, CA 92407

MEMORANDUM

DATE: March 4, 2013

TO: Ron Profetta, Director, Parking Services

FROM: Mike Zachary, Internal Auditor

SUBJECT: Internal Audit of Cash Management Controls
Parking Services - Parking Booths

OBJECTIVE:

The audit objective was to ascertain the effectiveness of existing policies and procedures related to the cashiering activity at your location and to determine the adequacy of internal controls that ensure compliance with relevant governmental regulations, Trustee policy, Office of the Chancellor directives, state regulations, and campus policies and procedures.

BACKGROUND:

Cashiering audits involve the assessment of the adequacy of the systems of internal accounting and administrative control surrounding cash receipts, cash handling, change funds, and purchase funds at the main and satellite cashiering facilities.

Satellite cashiering includes the collection of cash and cash equivalents at campus and off-site locations other than the main cashier. Some of these locations conduct specific cash-handling operations for the campus, while others operate as change funds and petty cash funds. Typical responsibilities at these locations may include collections in the form of checks, credit cards, debit cards, and currency. The cash handling functions for the two campus *Parking Booths* (Information Centers, IC1 and IC2) have been classified as satellite cashiering locations.

SCOPE AND METHODOLOGY:

The scope of audit includes a review of selected business unit cashiering procedures; cash receipts processes, change and purchase funds, and the overall accountability for cash in accordance with existing Trustee policy, system-wide directives, state regulations, and campus policies and procedures for controlling cash receipts; accountability for cash; safeguarding of cash; timely deposits; and accurate recordkeeping.

RESULTS OF AUDIT:

On February 28, 2013 we conducted an internal audit of cash management internal controls for the campus *Parking Booths* cash handling function. The two Parking Booths are also known as Information Centers 1 and 2 (IC1 and IC2), and they are operated by Parking Services. Please refer to the attached audit report prepared by Holly Konecny for additional details of the audit. This internal audit is intended to assist in the implementation of campus self-monitoring responsibilities, and to prepare for future main and satellite cashiering audits from the chancellor’s office.

We congratulate Parking Services for the operation of its Parking Booths, as there were no findings or recommendations related to cash handling, accounting for cash, internal controls for cash handling, or the safety and security of personnel and funds.

SAFETY AND SECURITY FOR PERSONNEL AND FUNDS

Overall, we believe that the safety and security for personnel and funds appeared to be reasonable, and in compliance with ICSUAM 3102.04, based the internal controls in place and the security features installed. No exceptions were noted during our review.

AUDIT FOLLOW-UP AND CLOSURE:

We consider this audit closed. The normal audit cycle dictates that another such audit will be performed next year.

If you have any questions or concerns, please contact me at 909-537-3430.

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|-----------------------|------------------|----------------|
| cc: Dr. Tomas Morales | Deletta Anderson | Paige Williams |
| Bob Gardner | Lisa Iannolo | Deloren West |
| Debbie Burns | Marilyn Lymuel | Shontel Zamora |
| | Claudia Campos | |
| | Holly Konecny | |

Parking Booths' Internal Control Audit February 2013

Performed by: Holly Konecny

Date: February 28, 2013

Parking Booths Oversight Personnel

Director: Ron Profeta

Financial Operations; Paige Williams

Operations Supervisor: Deloren West

Info Services Coordinator: Shontel Zamora

Administrative Assistant- Greg Eskritt

Controls Verified

Daily mail log

The Parking Booths do not receive mail, so maintaining a log is not applicable

Cashiering process

Each of the 2 Booths are issued a \$200.00 cash fund for use as a change fund when receiving cash payments for parking passes. The cash is verified by the oncoming Student Assistant cashiers and all the cash collected are put in locked bags and into an onsite safe. At the end of shift, reports are generated for credit cards and the Keep It Simple (KIS) system for parking sales. Both the credit transmittal system and KIS keep receipt of payments processed and received. The money box is locked and put in a locking drawer when not in use or attendant leaves. Voids are kept and tracked in the system as well. None of the parking cashiers has access to PeopleSoft system.

Credit card Processing

Credit cards are processed through an automated debit transmittal system. The client is always present when charges are processed. There are no manual postings of card debits.

Reconciliation

All over and shorts are reported on a slip placed with the deposit monies, so when the depositor sets up the deposit it can be reported when sent to Bursars Office. Over and shorts are internally controlled and documented on the reconciliations and deposits. Paige verifies all the deposits are properly reported into the correct general ledger revenue accounts.

Safeguarding Cash

There are substantial safes on the premises of both booths and only Ron, Deloren, Paige and Shontel have the combination. No student assistants have access. They have full security system on site and all the windows and doors are locked. A courier picks up the monies daily, and takes it to Parking Services so Greg can set up the deposits and Paige verifies them. Then they are sent to Bursars office for processing.

Cash on hand/Petty Cash funds

Parking Booths only has \$400.00 cash on hand that is used by the cashiers at both booths (200.00 each). They have no petty cash funds.

General Personnel Information

All staff members take vacations annually and other staff members take over their duties in their absence. All personnel handling monies are finger printed and no one but the cashiers has access to making sales. They have a procedure manual on site. I recommended they update it. The last time it appears to have been updated was in 2008.

List of Personnel and their Functions

Cashiers-Student Assistants

Robert Ramirez
Adam Aranda
Jose Quezada
Amanda Alexander
Taj Martin
Carly Rorer
Valerie Cormier
Jennifer Martinez
Candy Prieto
Elisenda Castro
Alina Castro
Kathryn Duran
Iris Ochoa
Pricilla Robles
Elizabeth Mason
Rosa Arroyo

Lead Cashier-Greg Eskritt

Opening Mail and listing of mail receipts - Not applicable

Prepares Deposits-Greg Eskritt

Verifies daily receipts to deposits –Paige Williams

Enters receipts into PeopleSoft- University Bursar's Office

Reconciles the General Ledger to the Receipts- Deloren West

Findings

None