



DATE: March 28, 2024
TO: Larry Davis, Assistant City Manager
FROM: Internal Audit Division
SUBJECT: Mail Center – Petty Cash Review
(No Response Required)

The Internal Audit Division has completed our review of The Mail Center Petty Cash as administered by the Graphic Services Staff. Attached you will find our review report; the departmental response and our replies to their responses. We feel that our concerns have been sufficiently addressed as we move forward. If you have any questions or need additional information, please let us know. Thanks.

Len Lucas
Internal Audit Director

cc: Chris Wilson, Interim City Manager
Carla Banks, Communications & Marketing Director
Lisa Pitts, Graphic Services Manager



DATE: March 5, 2024
TO: Carla Banks, Director of Communications and Marketing
FROM: Internal Audit Division
SUBJECT: Mail Center – Petty Cash Review
(Written Response required by March 19, 2024)

The Internal Audit Division conducted a petty cash count and review of the cash-handling/procedures on the Mail Center, scheduled at the 300 West Washington Street Lower Ground location for the period of July 1, 2022 through June 30, 2023. No official total amount was tested. However, we were able to analyze slips for the referenced period made up of currency on hand and value of postage stamps. This operation primarily facilitates overseeing incoming and outgoing mail processing throughout the City of Greensboro’s Melvin Municipal Office Building. Under the direction of the Graphic Services, the Mail Center picks up and delivers for all departments. It also offers additional services that include the selling of postage stamps, interoffice envelopes and certified mail transactions. Their mission is to accommodate city employees making it convenient in notifying them when mail or packages arrive. On the city’s website there is a section for review titled Graphic Services Use Guidelines. In analyzing its contents, it includes using Mail Center Services.

The scope of this review was limited to determining if funds are being properly accounted for, whether adequate internal controls are in place to safeguard cash, and accounting policies and procedures are being adhered to. In order to accomplish this, Internal Audit conducted a scheduled visit cash count at the facility identified above, regarding established policies in cash-handling on the petty cash fund. During this visit the auditor was able to examine sampled records of various supporting documentation defined as a Petty Cash Daily Report, Transaction Reports and Cash Out Receipts forms for the referenced audit period July 1, 2022 – June 30, 2023. There is no deposit activity that takes place at this business location, mainly because the Petty Cash Fund is used to reimburse small expenses. It is demonstrated that any cash that is removed is replaced by a receipt where the cash plus the receipts always equal the original \$300 amount. After careful evaluation, there were no findings in the prior year review report on this operation and has been noted. Data and records for the referenced months were presented. Internal Audit tested these transactions against accounting policies and procedures.

The Mail Center reports to Graphic Services Manager and primary custodian Lisa Pitts, while Ebony McCoy is the Lead Mail Clerk and serves as secondary custodian and direct supervision to all mail personnel.

It has been determined staff adheres to petty cash fund in accordance to accuracy from cash count and proper tracking. A daily log is well maintained to track all money on hand and postage in which copies are included as confirmation.

As a result of our review, we found the following areas of concern and offer our recommendations:

Finding:

- Although the petty cash slips are carefully recorded, we noticed a few with incorrect year or no year listed in the daily report batch of July through December of 2022. The tracking log also illustrates the activity as to how much was spent on stamps and the remaining currency on hand. For example, there is one dated August 9, 2021 instead of 2022. Another September 8, 2020 instead of 2022. We were able to review the correct documentation from the actual slips and transaction receipts.
- Otherwise, the security of the petty cash fund is well secured and balanced.

Recommendation:

- Internal Audit suggests that petty cash slips that are scratched out to complete a new slip to make the sheet more legible to analyze the calculated totals and shred the ones that may not be legible.
- Make sure the daily records log with the year of 2022 converts the referenced slips to match up and coincide with the data that reflects and validates the transaction as listed. Document the correct date on the slip or, discard the one located by the auditor showing 2020 and 2021 with a new slip showing the accurate date information.

Internal Audit would like to thank the staff at the Mail Center for their cooperation during the course of this review. A written response will be required by March 19, 2024. If you have any questions or comments, please call us at 373-2203.



Arnie Brown
Internal Auditor



Len Lucas
Internal Audit Director

Cc: Chris Wilson, Deputy City Manager
Larry Davis, Assistant City Manager
Lisa Pitts, Graphic Services Manager



COMMUNICATIONS & MARKETING

To: Arnold Brown, Internal Auditor

From: Carla Banks, Director, Communications & Marketing Department

Re: Internal Audit Report - Communications and Marketing - Mail Center

Dear Mr. Brown,

In response to the findings and recommendations of the Mail Center Fund Review, the Communications & Marketing Department agrees with the compliance review audit, findings, and recommendations of the Mail Center operation audit and approve this report.

Sincerely,

Carla Banks

Director, Communications & Marketing



DATE: March 26, 2024
TO: Carla Banks, Director of Communications and Marketing
FROM: Internal Audit Division
SUBJECT: Mail Center – Petty Cash Fund Review

The Internal Audit Division has reviewed your response to the Communications and Marketing – Mail Center Petty Cash Fund Review. We find the response sufficient and no further action is required. We would again like to thank the staff of the Communications and Marketing and Graphic Services management for their assistance and cooperation during this review. If there are any questions concerning the details of this review, please call us at (336) 373-2203.

Arnie Brown
Internal Auditor

Len Lucas
Internal Audit Director

Cc: Chris Wilson, Interim City Manager
Larry Davis, Assistant City Manager
Lisa Pitts, Graphic Services Manager