
A Report to the
Citizens of Salt Lake County
The County Mayor and the
County Council

Follow-up Audit:
An Audit of Key Controls at
the Whitmore Library



OFFICE OF THE
SALT LAKE COUNTY
AUDITOR

SCOTT TINGLEY
COUNTY AUDITOR

November 2020

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Whitmore Library

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OFFICE OF THE SALT LAKE COUNTY AUDITOR
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OUR MISSION

To foster informed decision making, strengthen the internal control environment, and improve operational efficiency and effectiveness for Salt Lake County, through independent and objective audits, analysis, communication, and training.



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November 25, 2020

James Cooper, Director
Salt Lake County Library Services
8030 South 1825 West
Salt Lake City, UT 84088

Re: Follow-up Audit: An Audit of Key Controls at the Whitmore Library, Report
Number 2018-MLR14

Dear Jim,

We have completed final follow-up work on the audit recommendations contained in Report Number 2018-MLR14, An Audit of Keys Controls at the Whitmore Library, issued May 2018.

Our follow-up audit work found that Whitmore Library ("Whitmore") has successfully implemented six out of the seven recommendations issued in the original audit report. We found that one recommendation was not implemented because Whitmore management felt that their current processes adequately addressed the risks identified in the initial audit. We would like to commend the staff at Whitmore for their efforts in implementing these recommendations for improvement.

We truly appreciate the time and efforts of the employees at the Whitmore Library throughout the follow-up audit. Our work was made possible by their cooperation and prompt attention given to our requests. If you have any questions, please feel free to contact Shawna Ahlborn, Audit Services Division Administrator, at (385) 468-7179 or Brenda Nelson, Audit Manager, at (385) 468-7178.

Sincerely,


Scott Tingley, CIA, CGAP
Salt Lake County Auditor

Cc: Leslie Webster, Associate Director of Finance and Operations, Salt Lake County
Library Services
Kim Bryant, Whitmore Library Branch Manager

Follow-up Audit Results

Finding 2.1: Employees at Whitmore were not signing the printer kiosk report of collections as evidence that they had reviewed and verified the amount of funds.

| Recommendation | Action Taken | Status |
|---|---|--------------------|
| We recommend that the cashiers at Whitmore review and sign-off on printer kiosk collections. | We verified that beginning in late 2018, Whitmore cashiers signed a form that documented the amount collected from the printer kiosks. The form was included with the sample deposit documentation we reviewed. | Implemented |

Finding 2.2: The deposit preparer and a second employee did not sign the master balance sheet as evidence that funds deposited were counted and verified.

| Recommendation | Action Taken | Status |
|---|---|--------------------|
| We recommend that both the deposit preparer and a second employee sign the "Daily Cash Collections Form," or master balance sheet, to establish accountability for funds recorded on the form and deposited in the bank. | We examined a random sample of 20 deposits. We found that the deposit preparer and second employee signed off on the Daily Cash Collections form. | Implemented |

Finding 2.3: Management at Whitmore did not review and sign for no-sale transactions created by cashiers.

| Recommendation | Action Taken | Status |
|--|---|------------------------|
| We recommend that a supervisor review and sign-off on all no-sale transactions. | <p>In Whitmore's response to the recommendation, they stated that, <i>"No-sale receipts are a part of the daily deposit packet. The supervisor reviews them and signs off on the entire packet."</i></p> <p>Whitmore management felt that their current process of daily deposit records review adequately addresses the risks identified in the original audit report. Therefore, they will not be implementing this audit recommendation.</p> | Not Implemented |

Finding 2.4: Employees at Whitmore incorrectly entered transactions as no-sales.

| Recommendation | Action Taken | Status |
|--|---|--------------------|
| We recommend that Library Services management investigate the possibility of reprogramming the point-of-sale system to prevent a sale and receipt of money from being categorized as a no-sale transaction. | As an alternate control, Library Services generated a daily report of no-sales. No-sale transactions with dollar amounts were flagged, researched, and documented. We verified that deposit files included documented follow up for all no-sales with dollar amounts. | Implemented |

Finding 3.1: Four items could not be located during our search for controlled assets.

| Recommendation | Action Taken | Status |
|---|--|--------------------|
| We recommend that the Property Manager at Whitmore document and report the four missing controlled assets in a formal letter to the Library Director and remove them from the controlled asset inventory list. | We verified that a letter was prepared to report, and to request removal from the controlled asset list, three of the four missing controlled assets. The remaining asset was found. | Implemented |

Finding 3.2: Capital and controlled asset tags were missing or inaccurate.

| Recommendation | Action Taken | Status |
|---|---|--------------------|
| A. We recommend that the Property Manager at Whitmore conduct a physical inventory of all capital and controlled assets, and that accurate asset ID tags be placed on all capital and controlled assets. | We verified that an annual inventory was completed and signed. In addition, we confirmed that accurate tagging was in place for a judgmental sample of 30 controlled assets. All capital assets were also tagged. | Implemented |
| B. We recommend that property tags be kept on file when they cannot be reasonably attached to capital assets. | At the time of our field work, there were no capital assets that were not physically tagged. | Implemented |

Appendix A: Additional Information

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|-------------------------------|---|
| Scope & Objectives | Generally accepted <i>Government Auditing Standards (GAO-18-568G)</i> , require that auditors perform follow-up audit work to determine if appropriate corrective action has been taken to address issues, findings, and deficiencies identified in prior audit engagements. The primary objective of this follow-up audit was to determine the status of management actions to address the findings reported in Report Number 2018-MLR14, <i>An Audit of Key Controls at the Whitmore Library</i> , issued May 2018. |
| Background | The original audit evaluated the effectiveness of Whitmore’s key controls. We examined assets, records, and transactions in the areas of change funds, cash handling and daily deposits, capital and controlled assets, and purchasing card transactions and use. The original audit identified seven findings related to the audit objectives. |

| Appendix B: Follow-up Audit Implementation Status | | | |
|---|--|---|--|
| Implemented | In Process | Not Implemented | Closed |
| The agency has implemented our recommendation or has adequately addressed the original issue or finding in all respects as verified by the follow-up audit. No further follow-up is required. | The agency is in the process of implementing our recommendation. Additional follow-up may be required. | The agency has taken no action to implement our recommendation. Additional follow-up may be required. | Circumstances have changed surrounding our original finding or recommendation that make it no longer applicable, or the agency will only implement a portion of our recommendation as verified by the follow-up audit. No further follow-up is required. |