

A REPORT
TO THE CITIZENS OF SALT LAKE COUNTY
BEN McADAMS, MAYOR



An Audit of the Key Controls of
Millcreek Community Center

March 15, 2013

GREGORY P. HAWKINS

SALT LAKE COUNTY AUDITOR

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March 15, 2013

Ben McAdams, Mayor
Salt Lake County
2001 S State St #N2100
Salt Lake City, UT 84114-4575

Re: An Audit of the Key Controls of Millcreek Community Center

Dear Mayor McAdams:

We recently completed an analysis of the financial records of Millcreek Community Center in compliance with Utah Code Ann. § 17-19a-204. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that we have identified as key to good financial management. We also sought to identify areas of material risk to determine whether we should commit more of our limited resources in further auditing or investigation.

Our work was designed to provide reasonable but not absolute assurance that records were accurate and complete and that the system of internal controls was adequate. There may be inaccurate or incomplete financial records that were not selected for review. Further, there may also be instances of noncompliance in areas not examined.

We appreciate the time spent by the staff at Millcreek Community Center and the cooperation from Bev Uipi, Senior Center Director, and other assigned staff members for answering our questions, gathering the necessary documents and records, and allowing us access to Millcreek Community Center during our audit. The staff was friendly, courteous, and very helpful. Please feel free to contact me with any questions.

Sincerely,

Gregory P. Hawkins
Salt Lake County Auditor

By Cherylann Johnson MBA, CIA, CFE
Sr. Deputy Auditor

cc: Bev Uipi, Senior Center Director



Objectives

Pursuant to § 17-19a-204, we analyzed the financial records and internal controls of Millcreek Community Center. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that are key to good financial management. We also sought to identify areas of material risk.

Conclusion

The Millcreek Community Center houses three separate agencies, as explained in the Background Section, below. Each agency operates independently. Most aspects of a typical key control audit were not within the scope for the Millcreek Community Center. For example, there were no funds received in the mail or over the counter, there were no petty cash or imprest funds on hand, no purchasing cards, and no capital or controlled assets associated with the Center. We have no material findings to report. Key controls for each individual agency housed at the Millcreek Community Center will be audited separately.

Background

The Millcreek Community Center, which opened on April 11, 2012, houses three major agencies – Library Services, Parks and Recreation, and Aging Services. The Millcreek Community Center is a multiple use, shared facility, and is the first cooperative effort in Salt Lake County of three County entities housed in one building.

The one-of-a-kind recreation/library/senior center is located in East Millcreek. However, there are four communities that use the services offered at the Center. The township residents of Millcreek, East Millcreek, Canyon Rim, and Mt. Olympus are served by the Center. The name Millcreek Community Center was chosen based on the regional service it provides to the larger neighborhood population.

A Memorandum of Understanding between Library Services, Aging Services, and Parks and Recreation was established concerning the ongoing operations and maintenance of the Millcreek Community Center. Each Division is responsible for all operations in the portion of the facility occupied by the respective agency (i.e., Library Services for the Library, Aging Services for the Senior Center, and the Recreation Section for the Recreation Center). Although a combined schedule of monthly activities is available for citizens, each facility is governed by its own agency's policies and business operations. The Parks Section of Parks and Recreation is responsible for the overall maintenance of the Community Center, including the main floor in the lobby. Parks is also responsible for maintenance of the common outside area, parking areas, and walkways. The budget for the shared expenditures is budgeted by Parks, and each agency is billed quarterly by Parks and Recreation for their portion of the maintenance and utility costs.

Scope

Our work included a formal examination of financial records related to the following key internal controls, to the degree applicable:

- Change fund
- Petty Cash and Imprest Accounts
- Cash Receipting
- Cash Depositing
- Credit / Debit Card
- Capital and Controlled Assets and Software Inventory
- Financial Computer Controls
- Purchasing Card Use
- Payroll Practices

Our examination period covered up to twelve months ending January 31, 2013. In addition to reviewing financial records, we reviewed and examined current practices through observation. Sampling of daily cash deposits, where applicable, was performed to assess compliance with Countywide policy and standard business and internal control practices.