

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



An Audit of the Key Controls of
South Towne Exposition Center

February 27, 2013

GREGORY P. HAWKINS

SALT LAKE COUNTY AUDITOR

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February 27, 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 South Towne Exposition Center

Dear Mayor McAdams:

We recently completed an analysis of the financial records of South Towne Exposition 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 South Towne Exposition Center and the cooperation from Jon Daich, Financial Manager, Rick Medina, Director of Facilities, Shar Wu, Controller, and Jonathan McBride, Office Coordinator, and other assigned staff members for answering our questions, gathering the necessary documents and records, and allowing us access to South Towne Exposition 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 Anita C. Kasal
Deputy Auditor

cc: Lori Okino, Department Fiscal Administrator
Dan Hayes, General Manager
Jon Daich, Financial Manager
Rick Medina, Director of Facilities



Objectives

Pursuant to § 17-19a-204, we analyzed the financial records and internal controls of South Towne Exposition 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

South Towne Exposition Center has put into place key internal controls for managing public funds and safeguarding public assets. The scope of this engagement was limited to a Key Control Audit in the area of the Change Fund and the Petty Cash Fund because an annual audit/review is contracted by the County with a third-party accounting firm. Within the respective areas, we found no violations of Countywide policies.

Background

South Towne Exposition Center is a part of the Salt Lake County Community Services Department and is located at 9575 S. State Street, in Sandy. South Towne Exposition Center financial information is a part of the Tourism Recreation Cultural Convention (TRCC) reporting in the Comprehensive Annual Financial Report (CAFR) from the Mayor's Office. South Towne Exposition Center is managed through contract with SMG and an annual review is performed by an independent accounting firm.

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 February 08, 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.