GREENSBORO
NORTH CAROLINA

DATE: December 16, 2025

TO: Phil Fleischmann, Director of Parks and Recreation

FROM: Internal Audit Division

SUBJECT: Smith Active Adult Center Petty Cash Fund Review
(No Written Response Required)

The Internal Audit Division conducted a scheduled cash count and review of the cash-handling/operations at the Smith Active Adult Center operation at 2401 Fairview Street, for the period of July 1, 2024 through June 30, 2025. The amount of $51,078.93 was tested. A specified amount of expenses were provided to the auditor. Let it be known that all requested materials were professionally provided upon the auditor's arrival. We were able to take a brief tour of this facility and found the center to be well organized with happy participants. There appeared to be many people of the general public at the age of 50 and older in attendance taking advantage of the events that this center offers. Truly impressed with the newsletter that lists the year-round activities and services provided to new and returned customers. Prior to visiting, the Smith Active Adult Center has a section within the City of Greensboro website that present numerous choices for curious minds to join. There are several attractions such as an indoor pool, gymnasium, and fitness room many would be interested in. The programs are fun to meet specific needs. The referenced location adheres to the guidelines regarding the Petty Cash Fund.

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 cash count at the referenced facility identified above, regarding established policies in cash handling of funds.

The auditor was able to examine sampled records of various supporting documentation defined as Deposit slips, Cash and Credit Card Journals in addition to GSO Cost Center GL Reports identified as cash receipts for the referenced audit period July 1, 2024 – June 30, 2025. The mentioned documents were analyzed at the listed business location.

It has been determined that Teania Jackson, Supervisor of the Smith Active Adult Center and staff fully understands the responsibility for obtaining original receipts in the event petty cash fund incidents occur. Internal Audit tested these transactions against accounting policies and procedures. In review of all records, this center demonstrates proper protocol in the process of petty cash when it comes to establishing the fund and replenishing the fund with effective accountability.

The auditor requested records of receipting and making deposits for the period specified. A selected sample of Revenue Deposit Forms (Cost Center GL Reports), receipts and other various supporting documentation were analyzed. We were informed everything such as deposits, credit cards, cash receipts go through the referenced location to be processed timely.

Internal Audit also provided a more recent copy of the Petty Cash Fund Policy dated January 2025 to the custodian since the prior policy on record was from April 2010 and has not been updated in City Net Finance Section under Documents, Forms, Policies and Procedures.

After further examination of the documents, the auditor obtained copies of records reviewed for the months of May and June are within compliance regulations.

The supervisor brought to the auditor's attention a transaction that reflected as a $10 discrepancy as the cash count was conducted. There appeared to be activity from November 18, 2025 presented in the amount of $10 cash accompanied with other paperwork. However, Rec Trac revealed the amount of $20. This was a good catch as demonstrated by the supervisor and shows the center performs their own audits when carefully tracking monies received.

It appears that this facility has all the policies and procedures upon analyzation. The auditor and supervisor came to the agreed conclusion to remove the Debit & Credit Card Merchant Policy from the other materials as according to parks and recreation management, that policy was eliminated. The updated version from May 1, 2024 covers the categories of cash, check and credit card handling.

It appears this facility is compliant when it comes to the G.S. 159-32 daily deposit requirements.

As we resumed researching all cash receipt documentation, we were able to analyze the Revenue Reconciliation forms that clearly illustrated deposit activity for the month by date, amount of each transaction and overall total for the month. Just an (FYI), a few of the Revenue Deposit Forms not legible to read. However, the auditor was able to locate supporting documentation at the site location.

Although there were several receipts showing more than 3 days, Internal Audit took into account that it pertained to credit card transaction totals are less than $500 and we confirm that weekly deposit criteria is being done. It looks like a couple of deposit stamps were cut off from the Credit Card Journal, however back up materials were available.

As safety precautions when it comes to safeguarding for security purposes a mere suggestion of consideration to place the contents of Petty Cash funds into a Cash Bag or zipped pouch instead of an envelope. This would avoid any accidental situations of possibly discarding the envelope.

Otherwise, we found the operation of the Smith Active Adult Center to be well structured and compliant with no findings or recommendations.

Internal Audit would like to thank the staff and management at the Smith Active Adult Center for their cooperation during the course of this review. No further action is required. If you have any questions or comments, please call us at 373-2203.

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