

## MEMORANDUM OF TRANSMITTAL

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**To:** Robert Bowden, Leu Gardens Executive Director

**From:** George J. McGowan, CPA  
Director, Office of Audit Services and Management Support

**Date:** March 9, 2020

**Subject:** Follow-up Review of Leu Gardens Fiscal Operations (Report No. 20-04)

Attached is a summary of the status of recommendations as determined from our follow-up review of our audit of the Leu Gardens Fiscal Operations (Report No. 19-02), issued October 12, 2018.

This review consisted of inquiries of City personnel. It is substantially less in scope than an audit made in accordance with internal auditing standards. The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters may have come to our attention that would have been reported to you and our conclusions may have needed to be modified.

Two of the seven total recommendations are implemented. Of the remaining recommendations, three are Planned for Implementation, one is Partially Implemented and one is Not Implemented. We believe that all of the recommendations are important to the effective control of Leu Gardens fiscal operations and encourage Venues Department management to re-examine each recommendation and support further action towards their implementation.

We would like to thank the management of the Leu Gardens for their cooperation during this follow-up review.

GJM

### Attachment

C: The Honorable Buddy Dyer, Mayor  
Walter A. Johnson, Chief Venues Officer  
Jody Litchford, Deputy City Attorney  
Chris McCullion, Chief Financial Officer  
Charles Leone, Deputy Chief Venues Officer

Leu Gardens Fiscal Operations Reply and Implementation Summary

#	Recommendations	Concur	Original Management Action Plan	Implementation Status		
				Current Status	Target/ Implementation Date	Comments
1	The Accounting Specialist should act as an independent administrator of the gift shop and lead and approve the physical inventory and correct the records for the items carried in the gift shop inventory.	✓		Planned for Implementation		We believe that the Accounting Specialist is overtaxed with her current responsibilities and additional personnel are needed to increase oversight of the gift shop and its inventory. A long term alternative is to hire a company to operate the gift shop and pay the Gardens a percentage of sales. This would leave the current employee responsible for the gift shop to concentrate on welcoming Gardens guests and training front desk volunteers.
2	The Accounting Specialist should oversee the updating of inventory information in Altru to reflect a corrected value of inventory on hand in the gift shop.	✓		Planned for Implementation		See above.
3	The Accounting Specialist should ensure that all receipts are deposited in a timely manner.	✓		Implemented	Ongoing	All receipts are deposited three times a week by a security company.
4	All Leu Gardens accounting personnel should be given the time and necessary training to learn the Altru system.	✓		Not Implemented		Efforts to train staff have been difficult and time-consuming. The Executive Director has been contacted by a consultant who may be able to recommend an alternative to the Altru system but staff has not been receptive to this possible change.
5	Gardens management should act to secure the sensitive personal information of patrons by changing its office access or acquiring secure files for storing such information.	✓		Implemented	Ongoing	Files have been purchased and are in use.
6	Management should identify each staff member that currently processes payments and ensure that each person has been polygraph tested in accordance with City policy.	✓		Partially Implemented		Human Resources has been contacted and efforts are underway to polygraph test all staff who process payments. This includes the Senior Administrative Specialist who performs some Accounting tasks. The Executive Director would like to reiterate that additional staff would free this individual to perform her primary duties.

Leu Gardens Fiscal Operations Reply and Implementation Summary

#	Recommendations	Concur	Original Management Action Plan	Implementation Status		
				Current Status	Target/ Implementation Date	Comments
7	The Accounting Specialist should develop a policies and procedures manual for the fiscal operations of Leu Gardens.	✓		Planned for Implementation	Summer 2020	This task has been assigned to the Accounting Specialist who has begun the process of documenting current procedures.