



CITY OF SAN ANTONIO

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City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for the Golf Operations Department Golf Pro Shop Operations Audit

City Management and the Golf Operations Department have reviewed the audit report and have developed Corrective Action Plans below corresponding to report recommendations.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
Detail Report					
1	<p>Daily overages and shortages in Pro Shops are excessive.</p> <p>Golf Operations Management should determine the cause for the large number of shortages/overages and implement a Departmental policy addressing this issue. The policy should include consistent supervisor monitoring of daily shortages/overages with consequences for multiple occurrences by the same individual. Employees should be properly trained to assist them in performing their duties in accordance with such policy.</p> <p>Action plan: Golf Operations will develop a spreadsheet as part of the Standard Operating Policy (SOP) for oversight by course managers to include daily monitoring of overages and shortages with consequences for multiple occurrences by the same attendant. Employees will be trained in the performance of their duties in accordance with these policies. Henry Salinas will provide oversight to the managers, while the managers will provide oversight to the course employees.</p>	5	Accept	<p>Henry Salinas, Golf Operations Superintendent</p> <p>Golf Course Managers</p>	45 days
2	<p>Price controls in the point-of-sale system need strengthening.</p> <p>Golf Operations Management should implement controls in Golf Gopher by restricting the ability to change prices to Management only. While it is customary to periodically lower prices for sales and promotions, these events should be planned far in advance to allow Golf Course Managers to make appropriate price changes in the system.</p> <p>Action plan: Golf Operations will develop an SOP that will eliminate the discounting of prices system wide except for special sales events at various golf courses. Employees will be trained on the new SOP.</p>	6	Accept	<p>Henry Salinas, Golf Operations Superintendent</p> <p>Golf Course Managers</p>	45 days

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3	Purchasing process controls and inventory management need improvement.	6			
	<p>Golf Operations Management should develop formal written procedures with proper segregation of duties to assist Golf Operations staff in the purchasing and receiving processes. Accordingly, these procedures should include the following:</p> <ul style="list-style-type: none"> • Those involved in the receiving function should ensure that an accurate receiving document is obtained, a count of all items received is performed, and that the receiving document is signed to achieve complete accountability. • The inventory management function of Golf Gopher should be utilized as intended. All merchandise purchased for resale should be entered into the system, properly bar-coded, and made available for sale the day it is received by the individual golf course. When purchase orders and receiving orders are completed, all relevant information, such as vendor names and SAP PO and RO numbers should be included in Golf Gopher. • The department should take advantage of discounts offered by vendors by promptly forwarding invoices to the Finance Department upon receipt of the goods purchased. 		Accept	<p>George Logan, Golf Operations Manager</p> <p>Henry Salinas, Golf Operations Superintendent</p> <p>Elizabeth Flores, Special Projects Manager</p> <p>Golf Course Managers</p>	45 Days
	<p>Action plan: Golf Operations will develop an SOP that will outline the procedures to follow when merchandise is ordered and subsequently received. This SOP will include utilizing the inventory function of Golf Gopher. All employees will be trained on the new procedures to be followed in the SOP. Golf Operations Fiscal personnel will periodically verify the inventory reports submitted by Golf Course Management to ensure accuracy.</p>				

4	<p>Parking collection procedures at Willow Springs Golf Course are not consistently followed.</p> <p>Golf Operations Management should ensure compliance with the City's current Administrative Directive 8.1 – Cash Handling and the department's SOP 101 – Parking Policies and Procedures. Specifically, all parking proceeds should be deposited in a City bank account in tact and properly accounted for as revenue in SAP. Timely reconciliation of ticket stubs, unused tickets and collections should be performed for each event. Unused ticket inventory should be secured in a safe location accessible only by staff performing parking duties.</p> <p>Action plan: The SOP 101- Parking Policies and Procedures will be modified to include securing all tickets At Brackenridge Park. All proceeds will be deposited in tact in accordance with this audit. Tickets will be located off-site in a safe secure location. Willow Springs Golf Course employees will be trained on the modifications to the SOP. Parking will be periodically audited by Golf Operations Fiscal Personnel to ensure compliance with the SOP.</p>	8	Accept	<p>George Logan, Golf Operations Manager</p> <p>Henry Salinas, Golf Operations Superintendent</p> <p>Elizabeth Flores, Special Projects Manager</p>	45 days
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5	<p>Number of volunteer golf rounds is high.</p> <p>Given the large number and dollar value of Volunteer Rounds recorded in Golf Gopher, Golf Operations Management should monitor the usage of this item number and require documented justification for its use. Furthermore, this item number should not be used to redeem gift certificates and rain checks.</p> <p>Golf Operations Management should consult with the City Attorney's Office regarding the legality of compensating volunteers with free rounds of golf.</p>	9	Accept	<p>George Logan, Golf Operations Manager</p> <p>Henry Salinas, Golf Operations Superintendent</p> <p>Golf Course Managers</p>	45 Days

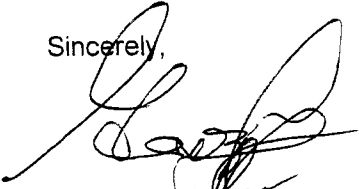
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	<p>Action plan: SOP 220- Gift Certificates and Punch Cards and SOP 208- Volunteer/Marshall Program will be modified to include policies for Gift Certificate redemption and to identify correct procedures in ringing up volunteer rounds. Golf Course personnel will make an effort to reduce the number of marshalls in FY 2008 and will be trained on the modifications to the SOP.</p> <p>The City Attorney's Office has already been consulted regarding the legality of compensating volunteers with free rounds of golf. They responded that this program is in accordance with City policies.</p>				
6	<p>Controls over rain checks need improvement</p> <p>Golf Operations Management should update SOP 205 to assist employees on issuing and redeeming rain checks. Specifically, rain checks should not be issued without a valid receipt and a required justification in the comment section of Golf Gopher. In the case of emergency situations, the signature or other authorization of the Golf Course Manager should be noted on the rain check record in Golf Gopher.</p> <p>If financially practical, Golf Gopher should be reconfigured to reflect the entire transaction amount in rain checks. Also, since rain checks can be issued by all Pro Shop personnel, continuous monitoring of rain check activity should be performed by Golf Operations Management.</p> <p>Action plan: SOP 205 - Rain checks and Refunds will be updated to include the audit recommendations. Golf Course personnel will be trained on the modified SOP. Golf Operations is working with Golf Gopher personnel to determine if the Golf Gopher System can be modified to accommodate audit recommendations.</p>	9	Accept	<p>George Logan, Golf Operations Manager</p> <p>Henry Salinas, Golf Operations Superintendent</p> <p>Golf Course Managers</p>	Pending review by Golf Gopher Staff

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7	Accounting for gift certificates should be improved.	10	Accept	George Logan, Golf Operations Manager Henry Salinas, Golf Operations Superintendent	Pending review by Golf Gopher Staff
<p>Golf Operations Management should facilitate the implementation of debit gift cards, eliminating the need to create gift certificates all together. A thorough evaluation should be performed to determine whether the gift cards should be sold at all golf courses, or continue to be sold only at Brackenridge. This would involve measuring the demand for gift cards at all courses.</p> <p>In the meantime, Golf Operations Management should track the sale and redemption of all gift certificates in Golf Gopher where a complete reconciliation can be performed at any given time. Certificates should be sequentially numbered and contain a feature that prevents them from being easily photocopied. A finite inventory of certificates should be created and maintained in a secure location. The inventory should be counted by Golf Operations Management and reconciled to the number of certificates sold and redeemed in Golf Gopher. Redeemed golf certificates should be stamped VOID and filed in Golf Operations offices to satisfy City record retention policies and also provide support documentation for future reconciliations.</p> <p>Action plan: SOP 220- Gift Certificates and Punch Cards will be updated to include the audit recommendations. Golf Course personnel will be trained on the modified SOP. Golf Operations is working with Golf Gopher personnel to determine if the Golf Gopher System can be modified to accommodate audit recommendations.</p>					

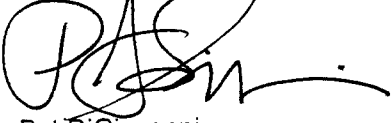
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8	Junior punch card sales and usage is not adequately tracked	11	Accept	George Logan, Golf Operations Manager Henry Salinas, Golf Operations Superintendent	Pending review by Golf Gopher Staff
<p>Golf Operations Management should track the sale and use of punch cards by its unique identifying number, thus, ensuring that cards are only used the allowable number of times.</p> <p>In addition, punch card inventory maintained by each golf course should be periodically reviewed by Golf Operations Management and reconciled to sales recorded in Golf Gopher. A similar reconciliation of punch card inventory should be performed for those maintained at the Administrative Offices that are pending distribution to the individual golf courses.</p> <p>Action plan: Junior Punch Cards will be eliminated as of July 1, 2007. All cards will play out in accordance with existing policies but will not be available for future purchase.</p>					

We are committed to addressing the recommendations in the audit report and the plan of actions presented above.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Roschek". The signature is fluid and cursive, with a large initial "J" and "R".

Jim Roschek,
Director, Golf Operations Department

A handwritten signature in black ink, appearing to read "Pat DiGiovanni". The signature is cursive and stylized, with a large initial "P" and "D".

Pat DiGiovanni,
Deputy City Manager