



CITY OF SAN ANTONIO

P. O. BOX 839966
SAN ANTONIO TEXAS 78283-3966

May 10, 2012

Julián Castro
Mayor

Diego M. Bernal
Councilman, District 1

Ivy R. Taylor
Councilwoman, District 2

Leticia Ozuna
Councilwoman, District 3

Rey Saldaña
Councilman, District 4

David Medina, Jr.
Councilman, District 5

Ray Lopez
Councilman, District 6

Cris Medina
Councilman, District 7

W. Reed Williams
Councilman, District 8

Elisa Chan
Councilwoman, District 9

Carlton Soules
Councilman, District 10

SUBJECT: Audit Report of Animal Care Services Accounting for Revenues and Donations

Mayor and Council Members:

We are pleased to send you the audit report of Animal Care Services Accounting for Revenues and Donations. This audit began in September 2011 and concluded with an exit meeting with department management in March 2012. Management's verbatim response is included in **Appendix B** of the report. Animal Care Services should be commended for its cooperation and assistance during this audit.

The Office of the City Auditor is available to discuss this report with you individually at your convenience.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kevin W. Barthold".

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
City of San Antonio

Distribution:

Sheryl L. Sculley, City Manager
Erik Walsh, Deputy City Manager
Ben Gorzell, Chief Financial Officer
Joe Angelo, Interim Director, Animal Care Services
Michael D. Bernard, City Attorney
Leticia M. Vacek, City Clerk
Robbie Greenblum, Chief of Staff, Office of the Mayor
Jaime Castillo, Communications Director, Office of the Mayor
Frances A. Gonzalez, Assistant to the Mayor, Office of the Mayor
Edward Benavides, Chief of Staff, Office of the City Manager
Donald Crews, Audit Committee Member
Stephen S. Penley, Audit Committee Member

CITY OF SAN ANTONIO
OFFICE OF THE CITY AUDITOR



Audit of Animal Care Services
Accounting for Revenues and Donations
Project No. AU12-002
May 10, 2012

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

Executive Summary

As part of our annual Audit Plan, we conducted an audit of the Animal Care Services (ACS) City department. The audit objectives, conclusions, and recommendations follow:

Is Animal Care Services adequately managing and accounting for the revenues and donations it receives?

No, management has not implemented controls to manage and account for donations received and controls for earned revenues need improvement. While revenue and deposits were properly posted and on-site cash balances were accurate, we noted several areas lacking appropriate controls.

Specifically, we determined that for Fundraising and Donations, Revenues and the Chameleon System Animal Care Services (ACS):

Fundraising and Donations

- Does not have a formal operational agreement with Friends of Animal Care Services, a 501(c) (3) non-profit.
- Does not consistently manage expenditures of donated funds. This includes lacking consistent authorization and supporting documentation for expenditures.

Revenues

- Does not comply with accounting standards when processing refunds and animal trap deposits. All refunds are processed in a single GL account instead of the related revenue account and animal trap deposits are credited to revenue accounts with the return of the deposit processed to a single refund GL account. Additionally, ACS does not maintain a list of authorized approvers for refund transactions or retain adequate supporting documentation.
- Does not properly monitor amounts due from Bexar County for services provided.
- Is not in full compliance with Administrative Directive 8.1 – Cash Handling.

Chameleon System

- Employs a manual process to update the SAP general ledger from the ACS Chameleon system.

- Does not accurately maintain current fees in the Chameleon system causing staff to manually key in correct fees when processing transactions.
- Has not accurately coded General ledger accounts for some item codes within the Chameleon system and an additional 46 item codes in Chameleon do not have GL codes.

We have made recommendations to ACS management to address each of these issues. The recommendations are in the Audit Results and Recommendations section of this report beginning on page 3.

Management agreed with all recommendations and has developed an appropriate action plan. ACS Management's verbatim response is in **Appendix B** beginning on page 10.

Table of Contents

Executive Summary	i
Background.....	1
Audit Scope and Methodology	1
Audit Results and Recommendations	3
A. Revenue Properly Recorded in SAP	3
B. Register, Change Fund and Petty Cash Balanced	3
C. Improvements Needed for General Cash Controls	3
D. Improperly Accounted for Transactions	5
E. Friends of ACS Agreement Not Formalized	6
F. Donated Fund Expenditures Not Consistently Managed	6
G. Chameleon Does Not Interface with SAP	7
H. Chameleon Fee Tables Not Accurate.....	7
I. Chameleon General Ledger Account Mapping Not Correct	8
J. Bexar County Receivables Not Properly Monitored	8
Appendix A – Staff Acknowledgement	9
Appendix B – Management Response.....	10

Background

Animal Care Services (ACS) is responsible for the enforcement of Chapter 5 of the City's Municipal Code, "Animals", to ensure public health and safety. The department offers services intended to promote responsible pet ownership through community outreach, animal placement programs, legislation, and enforcement. The department's mission is as follows:

"Encourage responsible pet ownership by promoting and protecting the health, safety and welfare of the residents and animals of Bexar County through education, enforcement and community partnership."

ACS' FY 2011 adopted budget was \$8.6 million, and the FY 2012 adopted budget increased to \$9.4 million. ACS is funded through the General Fund.

There are several ACS services that generate revenue for the City such as: Spay/Neuter, Pet Licensing, Animal Adoption, Permits, Rabies Vaccinations, Euthanasia and Impounding. ACS also receives donations from a variety of sources. They are received directly from individuals, local businesses, and through fundraising events. According to management, for fiscal year 2011 ACS recorded \$1.6 million in revenues including \$30,000 in donations.

ACS uses the Chameleon system to process all daily revenues from services and donations. Additionally, the Chameleon system produces account code reports, which are end-of-day reports used to record the daily revenue from services and donations and the corresponding deposit in SAP. These reports determine in which general ledger account SAP transactions are recorded.

ACS also has a partnership with Friends of Animal Care Services (FACS). FACS is a 501(c) (3) non-profit and functions as the fundraising arm of ACS. Friends of ACS's mission is to support the mission of ACS by raising money from the private sector for ACS programs, projects, and services. FACS is not managed by the City and receives no City funding.

Finally, ACS has a contract with Bexar County to administer animal control services in unincorporated areas of the City. The City invoices Bexar County in twelve equal amounts throughout the year. For Fiscal year 2011, the value of the contract was \$850,000.

Audit Scope and Methodology

The audit scope was fiscal year 2011 and included review of operational and financial data for earned revenues and donations. We interviewed ACS staff and reviewed ACS policies and procedures to obtain background information on the

various ACS revenue, cash handling, donations processes, and the Chameleon system. We also observed the opening and closing procedures for the front desk cashiers. We interviewed the FACS Board chairperson to obtain background information about FACS and reviewed the resolution passed by City Council establishing FACS as the fundraising arm of ACS to determine the nature of ACS's relationship with FACS. Testing criteria included applicable administrative directives, ACS policies and procedures, and the contract with Bexar County.

Our fieldwork included testing of the daily manual entry which records all revenues and donations in SAP and a review of all donation expenditures. We reviewed cash handling procedures for compliance with Administrative Directive 8.1 - Cash Handling. We also performed surprise cash counts of both the change fund and petty cash fund. Additionally, we reviewed Chameleon to determine appropriate access to the system and compared the pre-loaded fees with posted fee schedules. We tested refund transactions to determine compliance with Administrative Directive 8.1. We also tested the payment receipt for the ACS contract with Bexar County. Finally, we reviewed the relationship between ACS and FACS to determine appropriateness.

We relied on computer-processed data in SAP and the Chameleon system to obtain populations of the daily revenue entry, refund transactions, and donation expenditures. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls. Our direct testing included review of supporting documents for the daily revenue entry, refund transactions, and donation expenditures for reasonableness. We do not believe that the absence of testing general and application controls had an effect on the results of our audit.

We conducted this audit from September 2011 to February 2012 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our audit results and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our audit results and conclusions based on our audit objectives. Our audit included tests of management controls that we considered necessary under the circumstances.

Audit Results and Recommendations

A. Revenue Properly Recorded in SAP

ACS is properly recording the daily revenue entry in SAP. ACS produces an account code report from the Chameleon system to record the daily revenue entry in SAP and the corresponding deposit. We reviewed a statistical sample of 25 account code report packets totaling approximately \$49,000 and determined they were reconciled and entered correctly into SAP and had appropriate supporting documentation. We also determined that all deposits cleared the bank.

Recommendations

None.

B. Register, Change Fund and Petty Cash Balanced

The ACS cash register counted balanced without error and the change and petty cash funds agreed to the balances shown in SAP. We conducted a surprise cash count of the register and change funds along with the petty cash fund. We determined that cash funds tied to the general ledger.

Recommendation

None.

C. Improvements Needed for General Cash Controls

ACS is not in compliance with Administrative Directive 8.1 - *Cash Handling*. Specifically, checks were not always endorsed upon receipt; only one employee was opening mailed payments; and supervisors were not performing periodic cash counts. **Table 1** on page 4 shows compliance and non-compliance details.

Table 1 Cash Handling Testing Results

Administrative Directive 8.1 - Cash Handling	Yes	No
Access to cash drawers is limited to one person per drawer per shift.	X	
Cash drawers are balanced daily.	X	
Fees and rates are posted in view of the public.	X	
A sign is present with a number for customers to call if a receipt is not issued.		X
Access to the safes is limited and restricted.	X	
Functioning security cameras are in use.	X	
Checks have addresses, phone numbers, and driver's license numbers recorded on them.	X	
Checks are endorsed upon receipt.		X *
Checks are not accepted for amounts greater than the transaction amount.	X	
Deposits are made intact.	X	
Deposits are made within 24 hours.		X
Two employees present during the cash handling process.		X **
Periodic cash counts are performed by a supervisor.		X
<p>* Checks are not always endorsed upon receipt. Any checks not endorsed upon receipt are endorsed during the daily reconciliation performed the next day.</p> <p>** Payments and donations can be received through the mail. Only one employee is present when the mail is opened.</p>		

We determined ACS non-compliance with Administrative Directive 8.1 is due to out-of-date departmental cash handling policies and procedures. The departmental cash policies and procedures are also not consistent with all operating procedures.

Full compliance with Administrative Directive 8.1 is important to ensure adequate control and safeguarding of cash and consistency with City-wide cash handling operations.

Recommendation

The Director of ACS should update policies and procedures in accordance with Administrative Directive 8.1 and train staff accordingly. Policies and procedures should be reviewed on an annual basis and staff training performed when

changes are made. In addition, ACS management should perform periodic quality assurance reviews to determine staff compliance.

D. Improperly Accounted for Transactions

ACS does not account for customer refund and animal trap deposit transactions correctly.

ACS is not crediting refunds to the proper general ledger accounts. Although there are several revenue general ledger accounts that may have associated refunds, ACS currently uses one standard general ledger account for all refund transactions. Therefore, refunds are not being credited to the originating account. Both ACS procedures and Administrative Directive 8.1 – *Cash Handling* state that refunds should be recorded in the general ledger account recorded for the original transaction.

ACS currently records animal trap deposits in a revenue general ledger account. That is not correct, as the revenue has not been earned. According to accounting standards, revenues cannot be recognized until they are realized or earned. The subsequent return of trap deposits is credited to a standard refund account instead of offsetting the original entry.

During the review of refunds, we also determined an adequate audit trail does not exist for refund transactions. We reviewed a statistical sample of 25 refund transactions from a population of 188 and determined ACS did not maintain adequate supporting documentation in 28% of those tested. Supporting documentation includes items such as the receipt number or animal ID number or the refund request form. Additionally, refund transactions could not always be located in the Chameleon system. ACS does not send supporting documentation to Finance for refund transactions and does not maintain a list of authorized approvers.

ACS internal cash handling policies and procedures state that a refund request form should be completed for all refund transactions and a documented audit trail should exist. Additionally, supporting documentation should be sent to Finance with an authorized signature.

Recommendation

The Director of ACS should train staff to comply with Administrative Directive 8.1 - *Cash Handling* and internal ACS policies and procedures. Additionally, the Director of ACS should create and maintain a list of authorized approvers for refund transactions.

E. Friends of ACS Agreement Not Formalized

ACS does not have a formal operational agreement with FACS. While City Council passed a resolution in 2010 that established FACS as a fundraising arm, ACS has not evaluated and formalized an agreement to address day-to-day operations. Some of the areas that have not been addressed are the reporting relationship, legal custody of funds, procedures for requesting the use of FACS fundraising monies, and the use of the City's name and assets for fundraising events.

Without a formal detailed agreement, it is difficult to account for how much money FACS is collecting for ACS and manage how collections are spent. It also creates ambiguity with legal custody and authority over various forms of donations. For example, FACS was collecting cash from donation boxes located at ACS' facility. Although a FACS representative was to confirm collections with ACS, FACS had sole possession of the keys to access the cash donation boxes. This provided unrestricted and uncontrolled access to ACS on-site donations. During the course of the audit, ACS regained possession of the keys and they are now retained onsite in a locked box.

Recommendations

The Director of ACS should evaluate and formalize an operational agreement with FACS. The agreement should include, but not be limited to the following:

- Custody (fiduciary) of funds
- Timely reporting on expenditures and use of funds
- Fundraising procedures and use of the City's name and resources
- Formal procedures that define purpose of funds and a process to request donated funds
- Cash handling procedures

F. Donated Fund Expenditures Not Consistently Managed

Although expenditures of donations were for an appropriate business purpose and authorized, ACS was not consistent with retaining supporting documentation or its required authority level of approval. For example, although authorized, approval of expenditures came from various staff at various levels of authority. This was due to ACS' lack of written detailed policies and procedures for donation expenditures. Adequate policies and procedures are essential to help ensure consistent management of expenditures of donated funds.

Recommendation

The Director of ACS should develop and implement policies and procedures for expenditures of donated funds that address but are not limited to:

- Process to request use of donated funds
- Approval authority
- Required supporting documentation and retention.

G. Chameleon Does Not Interface with SAP

Chameleon does not automatically interface with SAP. Currently, ACS employs a manual process using account code reports produced from Chameleon to record the daily revenue entry into SAP. Administrative Directive 7.7.1 - *SAP Technology Standardization* states that, "City entities are required to ensure that all systems purchased must be integrated with SAP to the satisfaction of ITSD and the business and technical standards set by the primary business owner department." Utilizing an automatic interface between Chameleon and SAP would reduce the risk of human error during the daily manual process and ensure consistency with City-wide operations.

Recommendation

The Director of ACS should, in coordination with ITSD, determine the feasibility of an automatic interface between Chameleon and SAP and implement such if feasible.

H. Chameleon Fee Tables Not Accurate

Fees in the Chameleon tables are not accurate. We determined that 7 of 44 items from ACS' fee schedule were loaded incorrectly into Chameleon. Additionally, 17 of 44 items from the posted fee schedule were not loaded into the Chameleon fee tables. This occurred because ACS does not have formal policies and procedures to monitor the fees loaded into the Chameleon table. When the system fee tables are incorrect or incomplete, cashiers must manually key the item and/or fee code into Chameleon. This increases the possibility of charging incorrect fees.

Recommendation

The Director of ACS should correctly update all fees in Chameleon tables and properly maintain going forward.

I. Chameleon General Ledger Account Mapping Not Correct

The Chameleon system does not have a general ledger account mapped to all item codes. Additionally, some item codes are mapped to the wrong general ledger account. We viewed a listing of all item Codes in Chameleon and determined 46 of 323 item codes did not have a general ledger account assigned. As a result, ACS staff must manually assign these item codes to the correct general ledger account during the daily revenue entry. This increases the risk of human error resulting in an item code being recorded in the incorrect general ledger account.

Recommendations

The Director of ACS should properly assign the general ledger accounts to all item codes in Chameleon and delete unused item codes.

J. Bexar County Receivables Not Properly Monitored

ACS is not properly monitoring receivable balances from Bexar County. ACS' contract with Bexar County requires payment to the City within 30 days of invoice receipt. However, Bexar County did not make timely payments for 11 of 12 invoices tested. Delinquent payments ranged from 23-173 days outstanding.

According to ACS Management and Bexar County Management, this occurred because uncertainty existed as to whether ACS or the City's Finance department was ultimately responsible for sending Bexar County invoices. As a result, Bexar County sometimes did not receive invoices until after the due date. For example, Bexar County did not receive the invoices from November of 2011 through February of 2012 until March 13, 2012. Administrative Directive 8.4 - *Financial Management of Accounts Receivable* states that City departments are ultimately responsible for collection and monitoring of outstanding amounts. ACS has not implemented formal monitoring or collection efforts to ensure proper collection of outstanding payments.

Recommendation

The Director of ACS should monitor account receivables and collection efforts for Bexar County payments.

Appendix A – Staff Acknowledgement

Brian K. Williams, MBA, CFE, CIA, CGAP, Audit Manager
Douglas Francis, MSA, Auditor-in-Charge
Claudia Pena, CFE, Auditor

Appendix B – Management Response



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

April 23, 2012

Kevin W. Barthold, CPA, CIA, CISA
 City Auditor
 San Antonio, Texas

RE: Management's Corrective Action Plan for the Audit of Animal Care Services (ACS) Revenues and Donations.

ACS has reviewed the audit report and has developed the Corrective Action Plans below corresponding to report recommendations.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
C	<p>Improvements Needed for General Cash Controls</p> <p>Recommendation</p> <p>The Director of ACS should update policies and procedures in accordance with Administrative Directive 8.1 and train staff accordingly. Policies and procedures should be reviewed on an annual basis and staff training performed when changes are made. In addition, ACS management should perform periodic quality assurance reviews to determine staff compliance.</p>	4	Accept	<p>Heber Lefgren/ Assistant to the Director</p> <p>&</p> <p>Pamela Roberson/ Department Fiscal Administrator</p>	April 30, 2012

Appendix B – Management Response (continued)

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
	<p>Action plan: In February 2012, a Sr. Administrative Assistant position was created to help oversee department cashiers and to ensure that necessary ACS staff have received adequate training regarding the City's Administrative Directive 8.1. This position, which was filled in March, will also oversee periodic quality assurance reviews to ensure staff compliance. In regards to the specific non-compliant cash handling policies identified in the audit, ACS has identified the following action plan:</p> <ul style="list-style-type: none"> • As of April 13, 2012, ACS has posted a sign at each cash register which provides a phone number for customers to call if a receipt is not issued. - COMPLETED - • Effective April 30, 2012, the Sr. Administrative Assistant will oversee ACS incoming mail and ensure that two employees with cash handling training are present when mail is opened. • By April 30, 2012, ACS will create internal processes that ensure all checks are endorsed upon receipt. This will include regular assurance reviews by the Sr. Administrative Assistant to ensure compliance. The Sr. Administrative Assistant will also perform periodic cash counts to ensure accurate accounting of funds within the cash register. • As of April 20, 2012, ACS has received a waiver from the Fiscal Department to allow deposits to be made beyond 24 hours of receipt. This option is available to ACS since the revenue it received daily is below 1,500. - COMPLETED - 				
D	<p>Improperly Accounted for Transactions</p> <p>Recommendation</p> <p>The Director of ACS should train staff to comply with Administrative Directive 8.1 - <i>Cash Handling</i> and internal ACS policies and procedures. Additionally, the Director of ACS should create and maintain a list of authorized approvers for refund transactions.</p>	6	Accept	Joe Angelo/ Interim Director	June 1, 2012
	<p>Action plan: As of April 20, 2012, the Director identified those employees who are authorized to approve refund transactions. Employees identified will undergo all required training by June 1, 2012</p>				

Appendix B – Management Response (continued)

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
E	<p>Friends of ACS Agreement Not Formalized</p> <p>Recommendation</p> <p>The Director of ACS should evaluate and formalize an operational agreement with FACS. The agreement should include, but not be limited to the following:</p> <ul style="list-style-type: none"> • Custody (fiduciary) of funds • Timely reporting on expenditures and use of funds • Fundraising procedures and use of the City's name and resources • Formal procedures that define purpose of funds and a process to request donated funds • Cash handling procedures 	7	Accept	Joe Angelo/ Interim Director	June 18, 2012

Appendix B – Management Response (continued)

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
	<p>Action plan: Friends of Animal Care Services (FACS) was initially incorporated in 2004 and in 2008 became a 501 c 3 non-profit corporation. In April 2010, a resolution was approved by City Council recognizing FACS as the primary fundraising organization for private donations for the Adoption and Spay/Neuter Center at Brackenridge Park. Today, FACS mission is to: (1) promote and increase spaying and neutering of dogs and cats; (2) increase adoptions; (3) develop, promote, and advertize public education programs aimed at teaching responsible pet care; and (4) eliminate cruelty to animals, especially recognizing "The Link" between animal cruelty, child abuse, and family violence, thus helping the City of San Antonio become a "No-Kill" Community.</p> <p>ACS has met with the FACS Board Chair and shared the items of this Audit that are relevant to the organization. ACS is currently working with FACS to establish a formalized operational agreement that outlines the relationship between ACS and FACS. This agreement will be completed by June 18, 2012 and will address how funds are to be collected, managed, reported, and expensed. Following the establishment of an operational agreement, FACS will use a third party entity to review its current governance structure in order to identify internal changes necessary to comply with the agreement.</p> <p>Until the agreement and review can be finalized, all active fundraising and expenditure activities from FACS will stop. In addition, all funds from FACS' operating bank account will be temporarily transferred to the Department's donation account until an agreement is established and the organizational structure review of FACS is complete. This transfer will help ensure there are adequate accounting processes until the operational agreement is established.</p>				
F	<p>Donated Fund Expenditures Not Consistently Managed</p> <p>Recommendation</p> <p>The Director of ACS should develop and implement policies and procedures for expenditures of donated funds that address but are not limited to:</p> <ul style="list-style-type: none"> • Process to request use of donated funds • Approval authority • Required supporting documentation and retention. 	7	Accept	Heber Lefgren/ Assistant to the Director & Pamela Roberson/ Department Fiscal Administrator	April 30, 2012

Appendix B – Management Response (continued)

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
<p>Action plan: By April 30, 2012, ACS will develop and formalize internal policies and procedures for the expenditures of donation funds. This policy will include the process for how to request the use of donation funds; who will have authority to approve the use of funds; and how the Department will retain necessary documentation of decisions.</p>					
G	<p>Chameleon Does Not Interface with SAP</p> <p>Recommendation</p> <p>The Director of ACS should, in coordination with ITSD, determine the feasibility of an automatic interface between Chameleon and SAP and implement such if feasible.</p>	8	Accept	Joe Angelo/ Interim Director	March 15, 2012
<p>Action plan: As of March 15, 2012, ACS has submitted a request to ITSD that a business case be created to look at the costs associated with linking Chameleon to SAP. - COMPLETED -</p>					
H	<p>Chameleon Fee Tables Not Accurate</p> <p>Recommendation</p> <p>The Director of ACS should correctly update all fees in Chameleon tables and properly maintain going forward.</p>	8	Accept	Heber Lefgren/ Assistant to the Director & Pamela Roberson/ Department Fiscal Administrator	July 1, 2012
<p>Action plan: By July 1, 2012, ACS will have coordinated with ITSD to update all fees in Chameleon to match the Department's Fee Structure. ACS will also establish a process to ensure that the Fee Structure in Chameleon is updated as changes are made.</p>					

Appendix B – Management Response (continued)

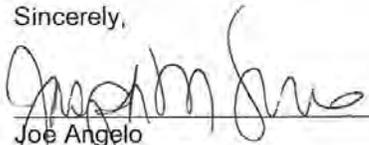
Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
I	<p>Chameleon General Ledger Account Mapping Not Correct</p> <p>Recommendation</p> <p>The Director of ACS should properly assign the general ledger accounts to all item codes in Chameleon and delete unused item codes.</p>	9	Accept	<p>Heber Lefgren/ Assistant to the Director</p> <p>&</p> <p>Pamela Roberson/ Department Fiscal Administrator</p>	July 1, 2012
<p>Action plan: By July 1, 2012, ACS will coordinate with ITSD to ensure that all item codes in Chameleon have been properly assigned a general ledger account and all unused item codes have been deleted.</p>					

Appendix B – Management Response (continued)

J	<p>Bexar County Receivables Not Properly Monitored</p> <p>Recommendation</p> <p>The Director of ACS should monitor account receivables and collection efforts for Bexar County payments.</p>	9	Accept	<p>Heber Lefgren/ Assistant to the Director</p> <p>&</p> <p>Pamela Roberson/ Department Fiscal Administrator</p>	April 20, 2012
<p>Action plan: ACS has coordinated with Bexar County regarding the collection of monthly payments for ACS Services. ACS anticipates all outstanding payments to be provided by the end of April. The Department Fiscal Administrator and Sr. Administrative Assistant will ensure that invoices for future ACS services are sent to and received by Bexar County before the 15th of each month. All invoices are current and the ACS DFA has system generated reminders to issue billing and documentation. - COMPLETED -</p>					

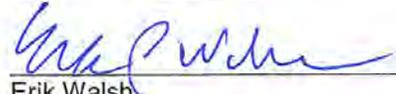
We are committed to addressing the recommendations in the audit report and the plan of actions presented above.

Sincerely,



 Joe Angelo
 Interim Director
 ACS Department

4/23/12
 Date



 Erik Walsh
 Deputy City Manager
 City Manager's Office

4/23/12
 Date