



## INTER-OFFICE MEMORANDUM

**TO:** Anthony Nicks, County Auditor  
**FROM:** Hakeem Oshikoya, Finance Director  
**DATE:** August 23, 2018  
**SUBJECT:** Gift Cards Audit Findings and Responses

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Thanks to you and your team for all your efforts in reviewing the activities of our Gift Card program in the past year, and preparing the associated report to inform us of your findings. The report has been reviewed and discussed among appropriate staff and division responsible for managing the program in the Finance Department. Below are our responses to your findings and recommendations:

### **Finding 1: Gift Cards not relinquished in Timely Manner**

Recommendation:

Departments are to comply with the Treasury Gift Card procedures, and for the procedures to be amended to address the relinquishment process and the departments' responsibility to properly secure gift cards.

Finance Department Response:

We will be implementing the following to address the recommendation and strengthen our policy in the following areas:

- Add 'Acknowledgement' section at the end of the policy to require the agencies/departments to confirm that they have read and will abide by the policy.
- Clearly state when the relinquishment of cards will occur in Section II item 11. The relinquishment date is automatically calculated on the Gift Card Requisition form. Issued gift cards will lapse at the end of each fiscal year and not roll over to the subsequent year's budget.
- Address how and who is responsible for securing the cards in Section II item 6.

## **Finding 2: Reconciliation Timeframe not Stated in Policy**

Recommendation:

In order to strengthen controls over the gift card process, Treasury Office needs to update the Treasury Gift Card procedures to include a timeframe to submit reconciliations to ensure reconciliations are completed in a timely manner.

Finance Department Response:

We have added new language in Section II item 10 to provide that reconciliation needs to be completed within a period of 10 business days of the program end date. The Gift Card requisition form now includes a reconciliation due date that is automatically calculated after 10 business days of the distribution date. No new cards will be issued to any agency/department with an outstanding reconciliation.

## **Finding 3: Lack of Supervisory Review**

Recommendation:

In order to mitigate or prevent errors during the gift card inventory review process, Treasury Office needs to update the Treasury Gift Card Procedures to include a supervisory review.

Finance Department Response:

Section IV item 1 has been updated to state that "Authorized Personnel" will periodically conduct audit of inventory on hand.

Please let me know if additional information is needed in this matter.

C: Sharon Whitmore, Chief Financial Officer  
Ray Turner, Deputy Finance Director  
Sabrinna McTier, Controller  
Bryce Riddle, Investment Officer  
Rex Croff, Revenue Administrator