

FINANCE DEPARTMENT

INTEROFFICE MEMORANDUM



TO: Anthony Nicks, County Auditor
FROM: *Ray Turner*
Ray Turner, Interim Finance Director
DATE: July 30th, 2025
SUBJECT: Response to Findings on 2024 Gift Cards Audit

Thank you and your team for the thorough review of the Treasury Gift Card Program. We appreciate your continued partnership in strengthening the controls and efficiency of this process. While the findings outlined in the audit highlight areas for refinement, we believe the program overall remains effective in meeting its objectives and safeguarding County resources.

Response to Audit Finding 1 – Outdated Standard Operating Procedures (SOPs)

We acknowledge that some language in the SOP does not reflect current practices, specifically around the documentation of card numbers before distribution. In practice, Treasury uses the signed and dated cash receipt process, which is more efficient and accurate for documenting disbursements.

While the outdated wording has not impaired our ability to track or reconcile gift cards, we agree that procedures should always align with operations. We are already updating the SOP to remove outdated references and to provide clearer, more concise guidance to staff. These revisions will be completed and distributed to all relevant personnel by the end of Q3 2025.

Response to Audit Finding 2 – Lack of Management Review Over Gift Card Log

We recognize the importance of regular log reviews. The isolated discrepancies noted in the audit were tied to timing and workload factors during peak demand periods, rather than a systemic control failure. Nonetheless, we understand that periodic reviews are a critical part of our process.

Treasury has already instituted a schedule requiring monthly dual control documented reviews of the gift card log. This will help ensure accuracy and consistency while maintaining operational flexibility during urgent requests.

Response to Audit Finding 3 – Missing Approval Signature on Gift Card Request Form

The single instance of a missing signature occurred due to time sensitive circumstances and reliance on an email confirmation from the department head. While this did not result in an unauthorized transaction, we acknowledge that the SOP requires physical or digital signatures.

We have reinforced to all Treasury staff that no requests will be processed without the required approvals. An updated checklist and escalation procedure are now in place to prevent this type of oversight in the future.

The Finance department continues to value the County Internal audit team's input and are committed to addressing the findings promptly while maintaining an efficient, service oriented Treasury Gift Card Program. Please reach out if further clarification or supporting documentation is needed.

cc: Sabrina McTier, Deputy Finance Director
Kela Pryor, Controller
Bryce Riddle, Investment Officer
Philip Harden, Revenue Administrator