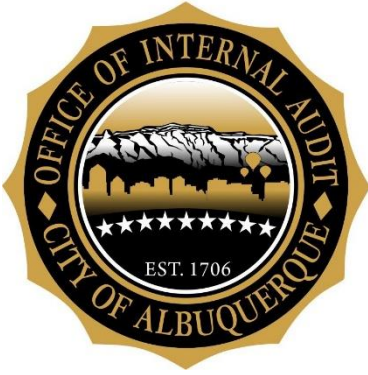




City of Albuquerque

Office of Internal Audit

Strategic Review

27-401

Parks & Recreation

Department

Selected Pools

Cash Count

Date

September 23, 2026

Selected Pools Cash Count
Parks & Recreation Department
September 23, 2026

#27-401

EXECUTIVE SUMMARY

The Office of Internal Audit (OIA) conducted surprise cash counts at seven (7) selected City of Albuquerque (City) Parks & Recreation Department (PRD) pool locations. The primary objective of the strategic review was to determine whether imprest funds and daily cash receipts were accounted for at the time of our visit. While the engagement found that procedures for securing cash were adequate and imprest funds were accounted for without exception, OIA noted that of 183 cash-handling employees, only one (1) had an expired training certificate which does not comply with the City's *Cash Management Policy and Procedures Manual* (Manual) and applicable Administrative Instructions. During the review, the employee completed the required training, and a relevant tracking period was corrected in PRD documentation to prevent future training renewal issues.

BACKGROUND

The City of Albuquerque provides public swimming facilities that offer recreational, instructional, and fitness activities for residents and visitors. The seven (7) pool locations selected for review included East San Jose, Eisenhower, Montgomery, Rio Grande, Sierra Vista, Valley, and Wilson. These facilities provide a variety of aquatic services, including recreational swimming, swimming lessons, lap swimming, and water exercise.

The pools offer various admission options, including daily admission and monthly and annual passes. Wristbands, discounts, and combination passes are also available. Acceptable forms of payment are cash, debit or credit card (American Express, Visa, MasterCard, Discover), and checks.

Table 1 – Pool Admission Rates and Passes

Visitor Categories	Daily – All Pools Except East San Jose	Daily – East San Jose	Monthly Pass	Annual Pass
Infants under 1	Free	Free	Free	Free
Toddlers 2-5	\$1.00	\$.25	\$9.00	\$25.00
Child 6-12	\$2.25	\$.75	\$20.00	\$110.00
Teen 13-17	\$2.75	\$1.00	\$26.00	\$155.00
Adult 18-54	\$3.00	\$1.50	\$30.00	\$190.00
Family	--	--	\$60.00	\$299.00
Military	\$1.50	\$.50	\$15.00	\$75.00
Individuals with Disabilities	\$1.50	\$.50	\$15.00	\$75.00
Seniors 55+	\$1.50	\$.50	\$15.00	\$75.00

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Visitor Categories	Daily – All Pools Except East San Jose	Daily – East San Jose	Monthly Pass	Annual Pass
Spectator	\$1.50	\$.50	--	--

On July 29, 2026, OIA performed surprise cash counts of the imprest funds maintained by PRD at the seven (7) pool locations. The Imprest Fund List, which is managed and approved by the City's Treasury Division, is a listing of change and petty funds. It lists all funds located at various locations by City department, unit, custodian(s), and type of cash fund total on hand. The seven (7) pool locations maintain imprest change funds in the amount of \$900. Table 2 summarizes the authorized change fund amounts for the seven selected pool locations.

Table 2 – Selected Pool Locations and Change Fund Amounts

Pool Locations	Change Fund
East San Jose	\$100.00
Eisenhower	\$200.00
Montgomery	\$100.00
Rio Grande	\$100.00
Sierra Vista	\$200.00
Valley	\$100.00
Wilson	\$100.00
Total	\$900.00

OBJECTIVES

The objectives of the surprise cash count were to determine whether the following were true:

- Procedures for securing cash are adequate.
- The imprest funds are accounted for and reconciled to approved Treasury fund amounts.
- Imprest fund practices and procedures comply with the City's Manual and applicable Administrative Instructions.

RESULTS

While the strategic review found that procedures for securing cash were adequate and imprest funds were accounted for without exception, OIA noted that, of 183 cash-handling employees, only one (1) had an expired training certificate. The exception resulted from an incorrect renewal period in Parks & Recreation's tracking report. During the review, the employee completed the

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required training, and a relevant tracking period was corrected in PRD documentation to prevent future training renewal issues.

Objective	Criteria	Results
Procedures for securing cash are adequate.	Per the City's Manual, "Key responsibilities—such as collecting cash, maintaining documentation, preparing deposits, reconciling records, and recording deposits should be separated among different individuals."¹ Per the City's Manual, departments handling cash are responsible for the safekeeping of these City assets. Physical security should be emphasized to every employee involved in cash handling.	OIA observed the funds at the seven (7) pool locations and determined that PRD maintains adequate procedures and controls for securing cash. The cash-handling areas are secured behind locked doors and register drawers are kept locked when not in use. Back-up cash handlers, designated as sub-custodians, are available when needed. OIA also confirmed that change funds not in use are secured in locked vaults requiring combination and/or key access, depending on the location. Employees with authorized access to the vault were identified as the Head Pool Manager, Pool Supervisors, Head Guard Cashier, and Cashiers. All individuals are listed as custodians or sub-custodians. Each location had security features based on the facility's design, including surveillance cameras, locking security gates, security sensors, and/or visibility of register areas. All seven locations had gated and secured access to register areas, panic buttons, and posted signs. OIA noted that lockers or cubbies were available for personal belonging at each location and no personal belonging were near the registers.
The imprest fund is accounted for and reconciled to approved	Per the City's Manual, the imprest fund is to be reconciled daily and at the end of each shift. A cash count, which is a clear breakdown of the denomination that totals the amount of the fund, is to be	OIA performed surprise cash counts on July 29, 2026, at seven (7) PRD pool locations with the imprest fund totaling \$900. OIA physically counted the funds and confirmed each were accounted for with no exceptions.

¹ *Cash Management Policy and Procedures Manual* (Manual), p. 41 updated Sept. 2025, <https://eweb.cabq.gov/jobs/Content%20Attachments/cash_handling.pdf>, accessed Sept. 23, 2025.

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Objective	Criteria	Results
Treasury fund amounts.	performed and should include the date and initials or signatures of the person(s) counting the fund.	OIA confirmed that the segregation of cash-handling duties at the seven (7) pool locations are appropriate and the procedures for securing cash are adequate. Below is a breakdown of the funds counted: • East San Jose - \$100.00 • Eisenhower – \$200.00 • Montgomery – \$100.00 • Rio Grande – \$100.00 • Sierra Vista – \$200.00 • Valley – \$100.00 • Wilson – \$100.00 Funds are dual-counted at the beginning of each shift, along with daily revenue reconciliation, deposit preparation, and verification of beginning balances at each of the location. For all seven (7) locations, OIA reviewed reconciliation documentation from the business days prior to the cash count (July 27 and 28, 2026). OIA verified that cash deposits were accurately prepared, imprest funds were reconciled to their authorized beginning balances, and supporting documentation was properly maintained, dated, and initialed with clear denomination breakdowns. Supporting documentation included daily cash reports, general ledger (GL), distribution with pay code subtotals, report summery totals, bank deposit slips, bank bag invoice number, and receipts. In addition, the deposits submitted were accurate to the GL listing bank deposit and verified in Cognos/PeopleSoft within 24 hours.

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Objective	Criteria	Results
Imprest fund practices and procedures comply with the City's Manual and applicable Administrative Instructions.	Per the City's Manual, a Custodian and Sub-Custodian Statement of Responsibility must be on file for all individuals responsible for the imprest fund. Additionally, Administrative Instruction (AI) 2-6, <i>Employee Cash Handling Training Program</i>, states that all City employees who handle City monies and those who oversee cash sites are required to attend the Cash Handling Training, which is provided by the Treasury, every three years.	OIA obtained and reviewed the Custodian and Sub-Custodian Statements of Responsibilities for the fund locations. There is a total of two (2) Custodians and 140 Sub-Custodians for the imprest fund. OIA noted that statements were current, properly executed, and aligned with Treasury fund amounts. Each statement included the employee's name, authorized amount, signature, associated department/division, and notarization. However, it was noted that the amount of the Custodian statements did not align with the Imprest Fund List amount. These issues are similar to those originally identified in Report No. 26-402, "DFAS Evaluation of Custodian and Sub-Custodian Oversight Requirements" and therefore, will be monitored until their corrective actions are implemented in the monitoring of that engagement. OIA also obtained and reviewed the cash-handling training certificates for all 183 cash-handling employees and identified one (1) with an expired certificate. PRD Management stated that its monthly tracking report was incorrectly programmed to track certifications on a five-year rather than a three-year cycle. During the review, the employee completed the required training and the tracking period was corrected. Accordingly, this recommendation has been implemented and is now considered closed. Lastly, OIA reviewed PRD's internal cash-handling policies and procedures and verified they aligned with the City's Manual and applicable requirements, including emergency procedures specific to PRD's operations.

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RECOMMENDATIONS

The Parks & Recreation Department should do the following:

- Periodically verify that its cash-handling certification tracking report accurately identifies upcoming training expirations.

NON-AUDIT SERVICE COMMUNICATION

Generally Accepted Government Auditing Standards – 2024 Revision (GAGAS 2024) allows OIA staff to perform non-audit services when such services do not impair independence in fact or appearance. Prior to agreeing to perform a non-audit service, OIA evaluates whether the service, either individually or in aggregate with other services provided, creates a threat to independence with respect to any GAGAS engagements conducted by OIA. OIA determined that the performance of this non-audit service did not impair the independence of OIA or its staff.

Surprise cash counts are classified as a non-audit service and the work performed does not constitute an audit conducted in accordance with GAGAS. Throughout each fiscal year, OIA objectively selects various imprest funds for review. PRD East San Jose, Eisenhower, Montgomery, Rio Grande, Sierra Vista, Valley, and Wilson locations were selected for review during fiscal year 2027. PRD remains responsible for the administration, safeguarding, reconciliation, and oversight of its cash funds, as well as any management decisions or corrective actions resulting from this non-audit service.

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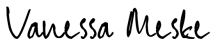
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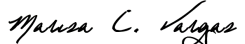
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Stacy Martin, Staff Auditor
Office of Internal Audit

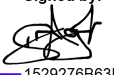
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Office of Internal Audit

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Marisa C. Vargas, City Auditor
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Esteban A. Aguilar, Jr., Esq.
Chairperson
Accountability in Government Oversight Committee

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APPENDIX B

Recommendations and Responses

For each recommendation, the responsible agency should indicate in the column labeled Department Response whether it concurs, does not concur, or partially concurs and provide a brief explanation. If it concurs with the recommendation, it should indicate the expected implementation date and implementation plan. If the responsible agency does not concur or partially concurs, it should provide an explanation and an alternate plan of action to address the identified issue.

Recommendation	Responsible Party	Department Response	<u>OIA Use Only</u> Status Determination*
Recommendation #1: Periodically verify that its cash-handling certification tracking report accurately identifies upcoming training expirations.	Parks & Recreation Department	☒ Concur ☐ Do Not Concur ☐ Partially Concur “The Department has created a tracking system spreadsheet to track employees who are required to maintain current cash-handling certificates and their training dates. The spreadsheet is color-coded to indicate certification status: green for current, yellow for certificates approaching expiration, and red for expired certificates. At the end of each month, an email notification is sent for certificates that are approaching expiration or have expired.” <u>ESTIMATED COMPLETION DATES</u> “August 24, 2026”	☐ Open ☒ Closed ☐ Contested