



Lexington-Fayette Urban County Government

Division of Internal Audit

INTERNAL AUDIT REPORT

DATE April 2, 2004

TO: Teresa Ann Isaac, Mayor

CC: Milton Dohoney, Chief Administrative Officer
Kathy DeBoer, Commissioner of General Services
Chuck Ellis, Director of Parks & Recreation

FROM: Bruce Sahli, Director of Internal Audit

RE: LFUCG Golf Course Cash & Inventory Controls Audit

Background

The Lexington Fayette Urban County Government (LFUCG) currently operates six public golf courses: Kearney Hills, Tates Creek, Meadowbrook, Lakeside, Bluegrass Station (Avon), and Picadome. Actual Golf Course collections for FY 2003 (including Golf Course, Tournament, and Pro Shop Fees) totaled \$2,768,516, while budgeted collections for FY 2004 total \$2,882,000. Four of the golf courses have their own concessions operation, while two (Kearney Hills and Picadome) have concessions provided by outside contractors. Four of the golf courses operate Pro Shops, which are essentially retail units offering merchandise for sale to the public, while two golf courses offer basic golf supplies. All six golf courses operate garages for the maintenance of machinery (golf carts, mowers, etc.) necessary for the successful operation and upkeep of the golf course.

Scope and Objectives

We conducted an audit of Golf Course Cash & Inventory Controls for all LFUCG golf courses. Included in the audit were the areas of pro shop, concession, and maintenance garage operations. The general control objectives of the audit were to determine:

- Revenues are accurately recorded and reported in a timely manner
- Cash collections are appropriately safeguarded and deposited in a timely manner
- Pro shop inventory is properly safeguarded and related activity accurately reported

- Maintenance garage inventory is properly safeguarded and related activity accurately reported
- LFUCG Golf Course Cash & Inventory Policies and Procedures were being adhered to.

Statement of Auditing Standards

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to afford a reasonable basis for our judgments and conclusions regarding the organization, program, activity or function under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy the audit objectives. We believe that our audit provides a reasonable basis for our conclusions.

Audit Opinion

In our opinion, the controls and procedures did not provide reasonable assurance that the general control objectives were being met.

SUMMARY OF FINDINGS BY MAJOR CATEGORY

Reports & Deposits

Missing Deposits

One hundred four (104) missing deposits totaling \$106,366 covering a period from July 2001 through November 2003 were identified in a review of Tates Creek Golf Course cash collections. See Attachment I for details. In addition, two deposits from the Avon Golf Course totaling \$1,005 and six deposits from the Meadowbrook Golf Course totaling \$1,235 were also identified as missing. The missing deposits have been reported to the Division of Police and an investigation is being conducted. The Division of Police has found no evidence of internal theft or mismanagement of funds contributing to the losses.

Division of Parks & Recreation Management Response: Parks followed existing procedures for daily deposits. With the new National City Bank on-line bank account review capabilities now in place, Parks will conduct on-line reviews of deposit activity and compare them to daily revenue reports to ensure deposits are being accurately made on a timely basis. Parks is now also receiving validated copies of deposits slips on a daily basis as further proof of appropriate deposit activity.

Late Deposits

Significant late deposit activity was noted at Avon and Meadowbrook golf courses. See Attachment II for details. Parks & Recreation procedures require all deposits be made in a timely manner to provide appropriate safeguarding of assets and to ensure all collections are made available to LFUCG on a timely basis. It is recommended daily deposit procedures be adhered to on a consistent basis.

Division of Parks & Recreation Management Response: Parks policy is to make nightly deposits. Because of former bank locations relative to Avon, sometimes deposits were made the next day (due to weather, staffing, etc.). Meadowbrook and Avon do not have civil service staff, and sometimes next day (Noon) deposits were made so manager could review the data. Disciplinary action will follow.

Undocumented Returns/Voids

A review of Daily Report activity noted a significant amount of absent or incomplete documentation regarding Return and/or Void activity at all six golf courses. Parks & Recreation provides the courses a Return Control Sheet that should be completed with related return receipts attached to it, but this form was commonly incomplete with receipts often missing. Undocumented returns and voids are a significant control weakness, providing the opportunity for misappropriation of funds. It is recommended the Return Control Sheet be fully completed on a consistent basis with all related documents attached. This form should then be reviewed on a timely basis with proper and timely completion strictly enforced. It is also recommended Return/Void procedures be amended to require customer signatures on all void or return receipts to provide further validation, and that the subsequent transaction also be printed out and attached to the Return Control Sheet to document the ringing up of the correct transaction.

Division of Parks & Recreation Management Response: Parks followed current policy to provide one copy to customer. Parks is investigating additional cash register copy paper and better system. The Return Verification Sheet has been reinstituted.

Deposit Review Procedures Need Enhancement

The missing deposits reported above went undetected due to incomplete deposit review procedures. In addition, the bank reconciliation process for these bank accounts was several months behind, with Accounting still working on the July 2003 reconciliation as of January 2, 2004. It is recommended bank reconciliation procedures be enhanced to identify and resolve in a timely manner any variances between daily report and deposit dates which might indicate missing reports and/or deposits. Better coordination of the review of deposit activity between Accounting, Revenue, and Golf Operations should also be developed to improve deposit review procedures and ensure early detection and resolution of future deposit anomalies. Bank reconciliations should be performed monthly and kept up to date to ensure timely identification of deposit anomalies.

Division of Accounting Management Response: Division of Accounting acknowledges the lack of timeliness in bank reconciliations and understands the essential need for this task to be completed. Backlog accumulated during staffing shortages / position vacancies created by retirements and personnel transfers to other divisions. Our staffing efforts continue to address this situation with a concentrated effort to get bank reconciliations caught up and completed monthly in a timely manner.

Corrective actions taken to date:

- Access to on-line banking inquiry of depository activities provided to selected personnel within the Divisions of Accounting, Revenue, and Parks
- Functional cross training to provide coverage during vacations and other such absences
- Previously, the deposit information on the bank statements were traced to deposit slips. Conversely, now the daily reports and deposit tickets obtained from the field are traced to the bank statements (100%).
- Any dates without depository activity is verified that operations were closed on that date.

Corrective actions in progress and requests:

- Still working through download problems experienced with outgoing banking institution and transition to new banking partner
- Re-evaluation of reconciliation process to use with new bank
- Division of Accounting request that Division of Parks provide e-mail or copy of monthly revenue reports. (Parks will continue to provide this information).
- Division of Accounting request that Division of Parks inform both Division of Accounting and Division of Revenue simultaneously of closed or no activity days by location via a consistent method (i.e. send daily report with all zeros for days without activity or send a calendar or log by location).

Division of Parks & Recreation Management Response: Parks followed current procedures and did not receive Bank Statements or validated deposit slips with which to verify deposit activity. Parks will assist Accounting with on-line deposit review procedures described in management's response to the Missing Deposits finding.

Daily Reports Not Consistently Completed

We noted numerous instances when no Daily Report was completed. This presumably occurred when the related golf course was closed for the day due to inclement weather, although in some instances this did not coincide with the historical weather reports we found on a weather website. A Daily Report should be completed for each day of the year, accompanied by related Z Tapes to properly document temporary cessation of activities.

Division of Parks & Recreation Management Response: Parks policy requires retention of "X" and "Z" tapes. Disciplinary action will be conducted and appropriate actions taken. There is no staff present at Meadowbrook and Avon to pull the register tapes when those golf courses are closed.

Zero Balancing of Daily Reports

Examination of Daily Reports prepared by the golf courses noted that daily cash over/short was typically reported as \$0.00. During the busy season, the four primary golf courses can have cash sales exceeding \$1,500 per day, while Avon and Meadowbrook can have cash sales approaching \$900 per day. With such cash sales activity, including green fees, cart rentals, concessions, and merchandise, it is highly unlikely that cash will balance to the penny with recorded sales, and at one golf course we observed a jar containing extra money used to balance ending cash with sales. The Daily Report includes a section entitled Over/Short which is used to identify variances between sales and collections and provides management information regarding the effectiveness of daily cash handling procedures. It is recommended the means of artificially correcting cash variances be eliminated and the correct daily cash over/short be reported.

Division of Parks & Recreation Management Response: Over/shorts detected through random drawer changes or shift changes, which are corrected by reconciling tape with tee sheet or cart sheet. Cash jar has been eliminated.

Change Fund Stored Off LFUCG Premises

During the closed season, the Golf Pro at the Tates Creek Golf Course is responsible for the \$50 change fund normally assigned to the Tates Creek pool. An audit of change fund amounts on hand at that location noted that this change fund was absent. On a subsequent visit to the golf course, the Golf Pro produced the \$50 fund and stated that he kept it at home when the pool was closed. He stated this was his practice in order to better secure the fund. It is recommended this change fund be retained in the golf course safe or returned to the Division of Revenue during the closed pool season.

Division of Parks & Recreation Management Response: Procedure is to return pool concession start up fund to golf, where the start up fund comes from in the spring. Explicit instructions are now in place. Disciplinary review will be undertaken for apparent negligence.

Golf Course Revenue Reports Need Updated

Lakeside concession revenue for FY 2004 in the amount of \$29,874 was miscoded into the untitled Parks & Recreation Revenue account number 4776 due to an account number misprint on the Lakeside version of the Daily Reports (the correct account number is 4766). This error also occurred in FY 2003, with \$56,572 posted to account number 4776. While the revenue was correctly applied to the Parks & Recreation Division, the error should be corrected to apply the revenue to the appropriate cost center. Further review of reports received from other golf courses identified several different formats for the Daily/Monthly/Year to Date reports. These reports should be the same for all golf courses to maintain consistency in reporting and to aid in

information analysis and data processing accuracy. A uniform version of these reports should be developed and distributed to the golf courses and all old versions should be discarded.

Division of Parks & Recreation Management Response: Error was missed by both Parks and Accounting. New forms are being produced and will be reprinted. Manual change is in place.

Pro Shop & Concession Inventories

Tates Creek Inventory Issues

The Tate Creek pro shop inventory included merchandise totaling \$7,673 that was omitted from the November ending inventory conducted by pro shop management, creating a negative Cost of Goods Sold totaling \$6,422 and eliminating the possibility of determining the inventory's profit margin. The omission included items transferred in from Meadowbrook golf course with no transfer paperwork, items marked down for clearance, and all items contained in the back stock room. The manager stated it was his normal practice not to count items marked down for clearance, and stated the items in the back stock room had previously been taken off inventory or never added to inventory. It was our observation that these back stock items were either new or seasonal items for which there was no obsolescence or other reason not to include them in inventory. All items included in the pro shop inventory for sale to the public either now or in the future should be included in the physical counts.

The Tate Creek pro shop inventory totaled \$56,933. The second largest pro shop inventory was Kearney Hills with a value of \$29,550. Some of the specific items noted during the audit included \$5,140 in Titleist golf balls, \$5,014 in Footjoy shoes and sandals, \$3,280 in CM drivers, \$2,755 in Footjoy golfing gloves, and \$2,064 in Cobra iron sets. Tate Creek purchased \$30,890 in pro shop merchandise during the period October through December, 2003, in contrast to Kearney Hills, which had the second highest purchasing activity during that period totaling \$13,917. It is recommended overall inventory management at this location be evaluated for effectiveness and cost control.

The pro shop inventory count sheet used by Tate Creek to conduct monthly inventories differed substantially from that used by the other golf courses in that it did not group items by major categories (e.g., clubs, clothing, etc.) and it contained mostly obscure descriptions of items in inventory which were very difficult for anyone other than the golf pro to interpret (including the assistants working there). By contrast, the other golf courses use an inventory count sheet that groups items by major categories for easy counting and provides clear descriptions that can be interpreted by anyone conducting a physical inventory. It is recommended Tate Creek adopt the same inventory sheet method used by the other courses.

The Tate Creek concessions inventory was short \$301. The cause of the shortage could not be determined. The November inventory conducted by management indicated an overage of \$17. It is recommended that concession inventory procedures be reviewed and the cause of the shortage investigated.

Division of Parks & Recreation Management Response: Golf Pro inventory system/procedures will be addressed. Our merchandise sales at over \$2.00 per round is considered excellent, with profits now accruing to LFUCG, rather than going to the golf pros as in the past. We will work to keep inventory at appropriate levels according to the seasonal demand. Our control and reporting systems need improvement. The inventory sheet has been corrected. Outside assistance will be used.

Lakeside Inventory Issues

We performed a physical inventory of Lakeside concessions on December 11, 2003. Significant variances (i.e., >10% of book value) were noted in most categories. The inventory was short \$598, due primarily to a \$1,087 shortage in fountain drinks. The custodian responsible for this inventory stated that the fountain drinks had not been recently counted (no actual date was available), and the fountain drink inventory as reported was based upon book values. It was also noted that the last complete physical of the total concessions inventory had occurred seven days earlier on December 4, 2003. Procedures require a complete physical of concession inventory on a daily basis and should be consistently adhered to. The use of book figures to estimate physical inventory should be discontinued immediately.

The outside soda vending machine which serves the driving range contained \$105 (equal to 70 unit sales). Based upon the recent weather, it is unlikely money has been collected from this machine during the month of December. In order to ensure an accurate daily physical of concession inventory, collections from this vending machine should be rang up daily in the concessions register and the count adjusted accordingly.

There were 1,118 bottles of soda and water in back stock, having a value of \$1,677 and representing 69% of total soda/water inventory. With the low amount of soda and water sales likely to occur over the next few months, this could be an indication purchasing procedures need to be reviewed to ensure appropriate management of inventory levels during periods of low activity.

Division of Parks & Recreation Management Response: Concession inventory on fountain drinks is measured by number of cups on hand. Cups are free to LFUCG. Cups are often given to customers upon request, which causes “shortages” when counted. Better method of counting “free cups” will be put in place, and concession inventory will be counted daily. Possible disciplinary action will follow regarding failure to inventory concessions daily. Out of date stock should be discarded, and standardized stock reorder levels will be determined and implemented. End of season soft drink stock will be closely monitored.

Avon Inventory Issues

The Avon golf course concession inventory was over \$319, due to a \$344 positive variance in fountain drinks. The reason for the variance could not be determined during the audit. It is recommended Parks & Recreation Administration management review this matter with

appropriate Avon personnel to determine the reason for the variance and to ensure accurate physical inventory procedures.

During the audit we were informed that an employee at Avon golf course sometimes purchases items at various locations and resells them in the pro shop, in competition with LFUCG pro shop sales. Proceeds from the sales are given to the employee. For example, the inventory taken during the audit identified three golf bags this employee had brought in for sale. All items contained on the merchandise floor should be the property of and sold for LFUCG. The practice of selling unauthorized items should be discontinued.

Division of Parks & Recreation Management Response: Positive concession variance likely cup count related as described in the management response to the Lakeside Inventory Issues. Parks policy prohibits outside items to be sold. We have not observed this, but will reinforce this policy at all our courses immediately.

Enhanced Retail Point of Sale System Recommended For Pro Shops

The cash register configuration used at the pro shops does not allow for the identification of inventory shrinkage (loss) by product. In addition, the effectiveness of pro shop inventory controls is currently evaluated based upon profit percentage rather than the dollar amount of inventory shrinkage. Large retail inventories such as those at the pro shops (the average inventory of the four main pro shops was \$32,591), are better controlled through a POS system that allows management to track sales by Universal Product bar Codes (UPC's). This type of system can provide a detail of losses by product code and will calculate the dollar value of inventory shrinkage, providing a better indicator of the effectiveness of inventory controls and highlighting those areas needing attention. In addition, this type of POS System can often provide detailed reports of voids, returns, price changes, redemption of gift certificates, etc. providing management better tools for evaluating the appropriateness of sales and related activity rang through the register. It is recommended Parks & Recreation consider installing such a system in the pro shops.

Division of Parks & Recreation Management Response: We evaluated/recommended POS in 2002, administration declined due to budget constraints and potential technical problems. Current registers being modified to itemize accounts/promo items and add uniform merchandise categories. Request to receive funding to upgrade register system or purchase software and hardware for POS system will be ongoing.

Transfers Between Golf Courses Not Properly Documented

Transfers of pro shop and concession inventory between golf courses currently require no documentation at the time of the transaction, and would only be noted if documented in each course's respective monthly inventory worksheets. This lack of proper documentation weakens inventory accountability. For example, Tates Creek's failure to properly document items that were received from Meadowbrook hampered our ability to properly evaluate the results of

inventories we took there during the audit. An inventory transfer sheet requiring a clear description of the item transferred and the signatures of the transferor and transferee should be developed and used on a consistent basis to document transfers of pro shop and concession inventory between golf courses. These transfer documents should be part of the monthly inventory report sent to the Picadome Administration Office.

Division of Parks & Recreation Management Response: Transfers are rare and typically only occur when Meadowbrook opens or closes for the year. A suitable signed transfer slip will be created and made a part of the Operations Manual, which is being re-written at this time and will be completed in April 2004.

Consistent Inventory Calculation Method Needed

Inventory calculations identifying possible shrinkage are not part of the standard pro shop and concession inventory forms and are therefore not used on a consistent basis. For example, no inventory variance or profit margin was calculated on the Meadowbrook Pro Shop monthly inventory reports we examined. The pro shop and concession inventory worksheets should be updated to include standard calculations for determining either shrinkage at retail or profit margin with the completion of each physical inventory.

Division of Parks & Recreation Management Response: Inventory calculations are done monthly except at Avon and Meadowbrook which will begin March 1, 2004. Daily food concession inventory will be done at all locations. Shrinkage will be added.

Receipt of Merchandise Not Properly Documented

The purchasing coordinator often received no written confirmation of merchandise shipped to the pro shops. Instead, her normal practice for invoices from major vendors would be to place a phone call to the pro shops asking if items on the invoices had been received. If verbal confirmation was obtained, she would authorize the invoice for payment. It is recommended pro shop personnel match descriptions and quantities of items received to the accompanying packing slip and submit this document to the purchasing coordinator on a consistent basis. The purchasing coordinator should then match the packing slip to the related invoice to verify accurate billing before sending the invoice to Accounting for payment.

Division of Parks & Recreation Management Response: Procedures require packing slips to go to Purchasing Coordinator to confirm delivery.

Gift Certificate Tracking Mechanism Needed

Redeemed gift certificates result in a reduction of pro shop inventory profit margin if the certificate was purchased or awarded in a prior accounting period, and there is currently no consistent method for documenting redemptions. For example, at Lakeside we were informed

that gift certificates were redeemed in exchange for \$119 in merchandise, but could find no related support for this transaction. It is recommended that redeemed gift certificates be attached to the monthly inventory report sent to the Administration office along with notation providing a summary of the effect of the redemptions on the profit margin. This will increase accountability of profit margin decreases, particularly during heavy redemption activity, and will provide management an “at a glance” evaluation of the effects of gift certificates on monthly pro shop profit margins.

Division of Parks & Recreation Management Response: Policy is to not hand out certificates due to customer difficulty in keeping them, losing them, etc. Instead, we keep a log of issuance and allow customers to redeem from that log. We are adding a key for gift certificates on re-keying cash registers.

Price Change Control Sheet Needed

Merchandise in the pro shops may from time to time experience either an increase in prices (e.g., at the beginning of the golf season or to reflect an effort by management to improve profit margin) or a decrease in prices (e.g., at the end of the golf season). A price change control sheet should be developed to document merchandise price changes and provide appropriate accountability. This document should be provided to the Golf Operations Manager for review and approval, and should be checked against merchandise floor prices for accuracy.

Division of Parks & Recreation Management Response: Such a control procedure will be added and reviewed.

Maintenance Garage Inventories

Maintenance Garages Need Automated Inventory System

For FY 2003, the golf course maintenance garages reported total inventory loss of \$19,708, representing 12.4% of the combined inventory value of \$158,888 on hand at year end. Our evaluation of maintenance garage inventory controls identified several opportunities to reduce the potential for losses, the most evident being the need for automating the inventory system. Currently inventory is only valued (and loss identified) at year end when the complete physical inventory is taken. There is no effective mechanism for analyzing or evaluating maintenance garage inventory activity during the year. An automated inventory system could maintain an up to date book value of total inventory and specific parts on hand. It would allow spot counts of specific items to be taken and compared to book inventory throughout the year, thereby increasing the ability to identify and address inventory loss on a timely basis. If properly maintained, it would also improve general recordkeeping of inventory transactions and reduce the possibility of inventory loss through unresolved paperwork errors. It is recommended that Parks & Recreation purchase and install the hardware and software necessary to create an automated maintenance garage inventory system.

Division of Parks & Recreation Management Response: Shortages are likely due to failure to complete parts usage forms. Efforts to connect Parks to Fleet Tracker ended due to cost issues. Parks will pursue automation as funding permits. Parks will implement quarterly physical inventories to improve shrinkage control and accountability.

Obsolete Garage Inventory

The garage supervisors at Kearney Hills and Lakeside golf courses indicated they had obsolete inventory on hand in the amounts of approximately \$25,000 and \$4,000-\$6,000, respectively. These comments were based upon their assessment that these were parts for equipment no longer in use at the golf course. It is recommended a formal assessment of obsolete inventory be performed by LFUCG personnel knowledgeable of other Divisions equipment needs. Those parts which can be used elsewhere (e.g., in Property Management) should be transferred, and the remaining obsolete parts should be written off and disposed of through scrap sales or other means. It is also recommended a stock rotation method be developed for items with a limited effective shelf life (gaskets, tires, hoses, belts, and seals) to decrease the likelihood of future obsolescence and equipment failure.

Division of Parks & Recreation Management Response: Fleet Services declined to receive obsolete parts, but they are reportedly going to recommend a policy to handle these items in the future. Parks will note obsolete parts during the taking of the quarterly inventories and will transfer them to Fleet Services.

Fuel Inventory Controls Not Consistently Adhered To

Five of the golf courses have diesel and gasoline inventories on the premises to be used in the operation of golf course maintenance equipment. Meadowbrook has gasoline only. We conducted fuel inventories and examined controls and related documentation at each golf course, and noted the following issues.

Inventory sheets were not completed daily at Avon, Tates Creek, and Lakeside golf courses, indicating product at those locations was not inventoried daily as required by procedure. (At Avon and Tates Creek, this was reportedly due to having no backup when the responsible employee was absent from work). At Lakeside, we noted three fuel tickets (two dated 12/29/03, which would have been three weeks old) that had not been turned in to Fleet Services for processing, and there was sufficient evidence to indicate that the December ending inventory figure at this location was not verified via a physical inventory. Both of Lakeside's tank caps and Avon's diesel tank cap were unlocked, which would allow for circumvention of the meter controls when removing product from the tanks. Water paste was not used at the three locations where we inquired about its use, and pump meters were declared unreliable by the custodian at Lakeside.

It is recommended physical inventories be taken daily with the results posted on the appropriate inventory forms. Fuel tickets indicating fuel dispensed should be posted on the inventory forms

daily and promptly submitted to Fleet Services for entry into Fleet Tracker. Water paste is typically used to detect water in fuel tanks, which can be pumped out when it reaches a certain level in order to prevent its being dispensed into machinery. Water paste should be obtained and used during daily physical inventories at all locations. The pump meters at Lakeside should be calibrated to ensure correct measurement of product dispensed, and the tanks caps at Lakeside and Avon should be padlocked to increase product security.

Division of Parks & Recreation Management Response: Policy is to stick fuel tanks daily, in accordance with our ground water protection plan. Failure to do so is a violation of several different policies. Securing tanks is also policy. Disciplinary review will be conducted. We will also investigate fuel paste with appropriate LFUCG Divisions for appropriateness.

Garage Transfers Not Consistently Reported

Maintenance garage personnel typically do not track and report the transfer of parts to other golf courses. The exception is Kearney Hills, which keeps track of transfers in a notebook provided to Accounting at year end. There appears to be a general misconception that such transfers are monitored through Fleet Tracker. However, Fleet Tracker is limited to assigning installed parts to a specific piece of equipment which is then charged to the golf course the equipment is assigned to. There is no direct link between Fleet Tracker and the garage inventory accounts. A separate form must be prepared and sent to Accounting to have the inventory accounts adjusted. It is recommended garage personnel be instructed on the proper method of reporting inventory transfers, and that transfers be promptly reported to Accounting to ensure accurate book inventory.

Division of Parks & Recreation Management Response: Care will be taken to ensure all transfers are recorded for each quarterly inventory. Specific instructions regarding parts inventory transfers will be put in place and noted in revision of Golf Operations Manual. Parts are charged to a piece of equipment at the time of installation. Avon and Meadowbrook do not have mechanics, some repairs are performed by other courses. Non-golf Parks equipment is often maintained by golf which would increase apparent shortages.

LFUCG GOLF COURSE CASH & INVENTORY CONTROLS AUDIT
SCHEDULE OF TATES CREEK GOLF COURSE MISSING DEPOSITS

Attachment I

<u>Date</u>	<u>Pro Shop Deposit</u>	<u>Concessions Deposit</u>
7/21/2001	\$2,207.00	\$326.00
7/29/2001	\$2,101.75	\$135.00
8/19/2001	\$2,399.50	\$292.41
9/30/2001	\$2,355.90	\$243.50
11/24/2001	\$890.00	\$127.00
12/7/2001	\$708.52	\$83.25
12/8/2001	\$231.00	\$0.00
12/9/2001	\$441.00	\$0.00
3/21/2002	\$293.00	\$0.00
4/6/2002	\$0.00	\$207.50
4/7/2002	\$2,175.50	\$0.00
4/15/2002	\$1,649.00	\$96.75
4/27/2002	\$1,380.00	\$99.00
4/28/2002	\$772.25	\$266.60
5/10/2002	\$2,248.00	\$180.37
5/11/2002	\$2,181.95	\$309.25
5/22/2002	\$2,090.80	\$169.30
5/27/2002	\$1,955.35	\$417.50
6/4/2002	\$2,070.50	\$987.00
6/13/2002	\$1,345.50	\$104.05
6/16/2002	\$2,846.00	\$294.00
6/20/2002	\$1,552.30	\$622.71
7/3/2002	\$1,707.40	\$698.06
7/6/2002	\$2,471.95	\$637.55
7/14/2002	\$2,521.75	\$337.55
7/24/2002	\$2,136.00	\$370.00
8/11/2002	\$2,418.25	\$307.50
8/21/2002	\$1,709.25	\$182.45
9/1/2002	\$2,554.75	\$369.25
9/29/2002	\$2,705.00	\$260.25
10/6/2002	\$2,236.14	\$243.25
3/28/2003	\$1,999.50	\$204.50
4/2/2003	\$1,614.50	\$142.75
4/13/2003	\$3,136.50	\$437.50
5/6/2003	\$1,131.80	\$72.50
5/22/2003	\$2,116.00	\$171.00
5/26/2003	\$2,428.00	\$392.75
6/3/2003	\$332.00	\$75.75
6/22/2003	\$2,714.65	\$733.25
6/27/2003	\$865.21	\$941.75
6/28/2003	\$2,909.75	\$667.07
7/8/2003	\$1,595.20	\$621.42
7/10/2003	\$869.60	\$397.50
9/1/2003	\$1,919.25	\$283.50
9/10/2003	\$1,407.00	\$188.00
9/17/2003	\$2,269.35	\$209.75
9/30/2003	\$903.50	\$45.50

LFUCG GOLF COURSE CASH & INVENTORY CONTROLS AUDIT
SCHEDULE OF TATES CREEK GOLF COURSE MISSING DEPOSITS

Attachment I

<u>Date</u>	<u>Pro Shop Deposit</u>	<u>Concessions Deposit</u>
10/5/2003	\$2,069.58	\$137.55
10/6/2003	\$1,045.77	\$142.25
10/22/2003	\$876.00	\$3.50
10/29/2003	\$702.50	\$52.00
11/2/2003	\$1,622.00	\$152.75
11/4/2003	\$953.75	\$117.75
11/23/2003	\$1,744.06	\$137.00
11/25/2003	<u>\$90.80</u>	<u>\$0.00</u>
	\$91,671.58	\$14,694.34
Total		\$106,365.92

LFUCG GOLF COURSE CASH & INVENTORY CONTROLS AUDIT
ANALYSIS OF LATE DEPOSITS DURING FISCAL YEAR 2004

Attachment II

<u>MEADOWBROOK</u>				
<u>Report Date</u>	<u>Pro Shop</u>	<u>Concessions</u>	<u>Deposit Date</u>	<u>Days Late</u>
7/1/2003	\$1,169.00	\$17.25	7/7/2003	2
7/2/2003	\$738.00	\$56.50	7/7/2003	1
7/6/2003	\$586.00	\$318.00	7/8/2003	1
7/7/2003	\$598.00	\$34.75	7/9/2003	1
7/8/2003	\$664.50	\$29.50	7/10/2003	1
7/10/2003	\$320.00	\$28.00	7/14/2003	1
7/13/2003	\$1,028.00	\$288.00	7/15/2003	1
7/14/2003	\$699.00	\$27.50	7/16/2003	1
7/15/2003	\$848.00	\$138.25	7/17/2003	1
7/16/2003	\$676.00	\$33.75	7/18/2003	1
7/17/2003	\$595.00	\$29.50	7/21/2003	1
7/20/2003	\$1,513.00	\$51.75	7/23/2003	2
7/21/2003	\$355.50	\$22.00	7/23/2003	1
7/22/2003	\$681.00	\$20.50	7/25/2003	2
7/23/2003	\$406.00	\$129.00	7/25/2003	1
7/25/2003	\$978.00	\$82.00	7/29/2003	1
7/26/2003	\$1,310.50	\$42.75	7/29/2003	1
7/27/2003	\$1,305.00	\$45.00	7/29/2003	1
7/28/2003	\$608.00	\$15.00	7/30/2003	1
7/29/2003	\$918.50	\$136.25	7/31/2003	1
7/30/2003	\$718.00	\$30.00	8/1/2003	1
7/31/2003	\$288.50	\$26.50	8/4/2003	1
8/3/2003	\$1,103.00	\$241.50	8/5/2003	1
8/4/2003	\$513.00	\$39.75	8/7/2003	2
8/5/2003	\$751.50	\$32.50	8/7/2003	1
8/6/2003	\$841.00	\$168.75	8/8/2003	1
8/7/2003	\$488.00	\$135.50	8/11/2003	1
8/9/2003	\$709.00	\$205.75	8/12/2003	1
8/10/2003	\$957.00	\$194.50	8/12/2003	1
8/11/2003	\$503.50	\$61.75	8/13/2003	1
8/12/2003	\$676.00	\$51.25	8/14/2003	1
8/13/2003	\$536.50	\$37.75	8/15/2003	1
8/17/2003	\$892.00	\$182.00	8/19/2003	1
8/18/2003	\$656.00	\$126.50	8/21/2003	2
8/19/2003	\$710.00	\$19.75	8/21/2003	1
8/20/2003	\$355.00	\$111.00	8/22/2003	1
8/21/2003	\$480.00	\$12.25	8/25/2003	1
8/24/2003	\$1,115.00	\$264.50	8/26/2003	1
8/25/2003	\$412.00	\$11.25	8/27/2003	1
8/26/2003	\$453.00	\$11.25	8/28/2003	1
8/27/2003	\$251.00	\$25.75	8/29/2003	1
8/28/2003	\$451.50	\$19.00	9/2/2003	1
9/1/2003	\$1,092.50	\$45.00	9/3/2003	1
9/4/2003	\$217.00	\$337.25	9/8/2003	1
9/7/2003	\$812.00	\$41.00	9/9/2003	1
9/8/2003	\$254.50	\$209.25	9/10/2003	1

LFUCG GOLF COURSE CASH & INVENTORY CONTROLS AUDIT
ANALYSIS OF LATE DEPOSITS DURING FISCAL YEAR 2004

Attachment II

<u>MEADOWBROOK</u>				
<u>Report Date</u>	<u>Pro Shop</u>	<u>Concessions</u>	<u>Deposit Date</u>	<u>Days Late</u>
9/10/2003	\$235.00	\$12.25	9/12/2003	1
9/11/2003	\$143.00	\$9.25	9/15/2003	1
9/14/2003	\$919.00	\$22.25	9/16/2003	1
9/15/2003	\$302.00	\$10.50	9/17/2003	1
9/16/2003	\$294.00	\$12.75	9/18/2003	1
9/17/2003	\$205.00	\$8.50	9/19/2003	1
9/18/2003	\$233.50	\$2.50	9/22/2003	1
9/21/2003	\$632.00	\$21.50	9/23/2003	1
9/23/2003	\$437.00	\$24.75	9/25/2003	1
9/24/2003	\$185.00	\$132.50	9/26/2003	1
9/25/2003	\$112.00	\$6.00	9/29/2003	1
9/28/2003	\$519.50	\$22.25	10/1/2003	2
9/29/2003	\$370.00	\$51.25	10/1/2003	1
9/30/2003	\$353.00	\$14.00	10/2/2003	1
10/1/2003	\$184.00	\$5.75	10/6/2003	2
10/2/2003	\$208.00	\$10.25	10/6/2003	1
10/5/2003	\$604.00	\$19.25	10/7/2003	1
10/7/2003	\$321.00	\$12.50	10/9/2003	1
10/8/2003	\$419.00	\$7.75	10/14/2003	3
10/9/2003	\$244.00	\$5.50	10/14/2003	2
10/10/2003	\$0.00	\$11.75	10/14/2003	1
10/11/2003	\$0.00	\$24.00	10/14/2003	1
10/12/2003	\$465.00	\$179.25	10/15/2003	2
10/13/2003	\$338.00	\$20.00	10/15/2003	1
10/14/2003	\$52.50	\$5.50	10/16/2003	1
10/15/2003	\$248.00	\$10.75	10/17/2003	1
10/16/2003	\$116.00	\$56.25	10/20/2003	1
10/19/2003	\$678.50	\$16.75	10/21/2003	1
10/21/2003	\$221.00	\$89.00	10/23/2003	1
10/22/2003	\$57.00	\$1.00	10/24/2003	1
10/23/2003	\$135.00	\$6.00	10/27/2003	1
10/25/2003	\$320.50	\$115.25	10/28/2003	1
10/27/2003	\$99.00	\$10.00	10/29/2003	1
10/28/2003	\$8.00	\$3.25	10/30/2003	1
10/29/2003	\$100.00	\$3.50	10/31/2003	1
11/2/2003	\$638.50	\$18.25	11/4/2003	1
11/3/2003	\$210.00	\$1.75	11/5/2003	1
11/4/2003	\$297.00	\$184.25	11/6/2003	1
11/5/2003	\$0.00	\$2.50	11/10/2003	2
11/6/2003	\$8.00	\$0.00	11/10/2003	1
11/9/2003	\$119.00	\$5.75	11/12/2003	2
11/10/2003	\$111.00	\$4.50	11/12/2003	1
11/11/2003	\$119.00	\$5.00	11/13/2003	1
11/12/2003	\$0.00	\$2.50	11/14/2003	1
11/13/2003	\$14.00	\$155.25	11/17/2003	1
11/16/2003	\$61.00	\$16.00	11/18/2003	1

LFUCG GOLF COURSE CASH & INVENTORY CONTROLS AUDIT
ANALYSIS OF LATE DEPOSITS DURING FISCAL YEAR 2004

Attachment II

MEADOWBROOK

<u>Report Date</u>	<u>Pro Shop</u>	<u>Concessions</u>	<u>Deposit Date</u>	<u>Days Late</u>
11/17/2003	\$172.00	\$7.50	11/20/2003	2
11/18/2003	\$70.00	\$0.00	11/20/2003	1
11/19/2003	\$46.00	\$3.75	11/21/2003	1
11/20/2003	\$107.00	\$9.50	11/24/2003	1
11/23/2003	\$551.00	\$14.75	11/25/2003	1
11/30/2003	\$160.00	\$207.25	12/2/2003	1

AVON

<u>Report Date</u>	<u>Pro Shop</u>	<u>Concessions</u>	<u>Deposit Date</u>	<u>Days Late</u>
7/6/2003	\$887.50	\$68.75	7/9/2003	2
7/8/2003	\$459.75	\$99.50	7/9/2003	1
7/9/2003	\$354.00	\$84.75	7/11/2003	1
7/10/2003	\$575.50	\$45.25	7/14/2003	1
7/12/2003	\$962.00	\$122.25	7/15/2003	1
7/13/2003	\$1,190.25	\$181.75	7/15/2003	1
7/16/2003	\$452.00	\$82.25	7/18/2003	1
7/19/2003	\$1,545.00	\$83.75	7/22/2003	1
7/20/2003	\$1,277.00	\$194.00	7/22/2003	1
7/23/2003	\$413.00	\$126.75	7/28/2003	2
7/24/2003	\$835.50	\$0.00	7/28/2003	1
7/27/2003	\$1,071.00	\$194.00	7/29/2003	1
7/28/2003	\$665.00	\$31.25	8/1/2003	3
7/31/2003	\$523.00	\$60.00	8/4/2003	1
8/10/2003	\$1,071.75	\$79.25	8/12/2003	1
8/17/2003	\$927.25	\$43.25	8/19/2003	1
8/24/2003	\$1,447.00	\$108.25	8/26/2003	1
10/5/2003	\$536.00	\$37.75	10/7/2003	1
10/19/2003	\$876.50	\$83.75	10/21/2003	1
11/10/2003	\$227.00	\$5.25	11/12/2003	1
11/14/2003	\$34.00	\$4.00	11/18/2003	1
11/20/2003	\$367.00	\$37.25	11/24/2003	1
11/23/2003	\$932.50	\$67.00	11/26/2003	2
11/26/2003	\$211.00	\$0.50	12/1/2003	2
11/30/2003	\$81.00	\$0.00	12/2/2003	1
12/7/2003	\$92.00	\$0.00	12/9/2003	1