Reply to Common Council File No. 010113

From DOA-Budget and Management Division
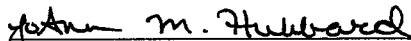
May 14, 2001

Ref: 01002 (003)

Common Council File 010113 is an audit report from the Comptroller's Office entitled Audit of City of Milwaukee Department of City Development (DCD), Development Center and Plan Administration cashiering activities. The objectives of this audit was to determine whether the Department of City Development Center and Plan Administration Section were accurately recording payment receipts in the City's accounting system. Also, this audit included a review of DCD's Development Center and Plan Administration pollicies, procedures, records and reports, transaction testing and review of the permit file updating process by the Department of Neighborhood Services (DNS).

This audit report found that the DCD's Development Center and Plan Administration Section are accurately recording payment receipts in the City's accounting system. However, the audit stated that it was not possible to determine whether all payment receipts were processed in a prompt manner. The audit also concluded that updates to DNS permit file are made in an expeditious manner.

However, the auditing report recommended that several changes occur internally at DCD's Development Center and Plan Administration Section. One of the changes that the audit suggests is that the Development Center's management take a more proactive role in incorporating periodic and random observation and review of balancing activities and related reports and review of voided and/or cancelled transactions. The audit also recommended that the Development Center establish a policy addressing aimed at improving accountability for variances by cashiers. The Development Center personnel should log, date and time stamp all payments received at the point of receipt. These are some of the suggested changes in the audit report.

RECOMMENDATION: PLACE COMMON COUNCIL FILE 010113 ON FILE.

JoAnn M. Hubbard
Budget and Management Analyst – Sr.

JMH:jmh

FINANCE: Audit of DCD Dev. Cntr.