



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



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Comptroller

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September 23, 2014

Evelyn Rice-Peebles, Commissioner of Recreation
Recreation Division
5600 Clayton Avenue
St. Louis, MO 63110

FILE COPY

RE: Fixed Assets Review – Recreation Division (Project #2014-FA11)

Dear Ms. Rice - Peebles:

Enclosed is the Internal Audit Section's fixed assets review report of the Recreation Division as of March 31, 2014. A description of the scope of our work is included in the report. Fieldwork was completed on June 27, 2014

This review was made under authorization contained in Article XV, Section 2 of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Respectfully,

Dr. Ishmael Ikpeama
Internal Audit Supervisor

Ron Steinkamp, CPA, CIA, CFE, CRMA, CGMA
Internal Audit Advisor

Enclosure:

cc: Greg Jones, Community Development Specialist

**CITY OF ST. LOUIS
RECREATION DIVISION
FIXED ASSET REVIEW
AS OF MARCH 31, 2014**

EXECUTIVE SUMMARY

Purpose

The purpose of this fixed assets review was to determine if the Recreation Division effectively and efficiently manages risks to ensure:

- Compliance with applicable laws, regulations, and policies and procedures.
- The proper safeguarding of assets.
- The reliability and integrity of Fixed Assets Property Listing (FAPL) reports.
- Economic and efficient use of Resources.

Conclusion

There were some positive internal controls noted during the review. They include the following:

- Annual physical inventory was performed by The Recreation Division.
- Reconciliations of internal Fixed Assets and Property Control Lists to Fixed Assets Property Listing.

There were no observations noted at this time.



Dr. Ishmael Ikpeama
Internal Audit Supervisor

9/23/14
Date



Ron Steinkamp, CMA, CIA, CFE, CRMA, CGMA
Internal Audit Advisor

9/23/14
Date

**CITY OF ST. LOUIS
RECREATION DIVISION
FIXED ASSET REVIEW
AS OF MARCH 31, 2014**

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**CITY OF ST. LOUIS
RECREATION DIVISION
FIXED ASSET REVIEW
AS OF MARCH 31, 2014**

PROCEDURES

Background

The Recreation Division offers programming throughout the City of St. Louis for residents of all ages. It offers swimming, weight lifting, boxing, basketball, youth football, volleyball, aerobics, arts and crafts, and additional activities for the citizens of St. Louis. Recreation Division activities are fully or partially funded through the department of Housing and Urban Development through a grant from the Community Development Administration in the form of Community Development Block Grant Dollars.

Scope and Methodology

The review was confined to evaluating the Recreation Division's internal controls over the operational and physical activities pertaining to the Fixed Asset Management System (FAMS). The review procedures included:

- Inquiries of management and staff.
- Reviews for compliance with policies and procedures, as well as applicable laws and regulations.
- Limited tests of controls.
- Other procedures considered necessary.

Status of Prior Observations

There was an observation noted in a prior report issued March 13, 2012 which we have determined has been resolved. The observation was as follows:

- Opportunity to improve controls over fixed assets and property control items.
(Resolved)

Exit Conference

An exit conference was not necessary because there were no observations noted at this time.