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OFFICE OF THE CITY AUDITOR

TO: Mayor and Council Members  
THRU: Margaret Krym, City Auditor *MK*  
FROM: Kathy Magaw, Assistant City Auditor *KM*  
DATE: March 6, 2012  
SUBJECT: Audit Hotline – Alleged Theft at Coral Oaks Golf Course – Completion of Follow up Action Items

One July 26, 2011, the City Auditor's Office received a call through the Audit Hotline alleging theft was occurring at Coral Oaks Golf Course. The caller was anonymous and was not willing to go on record with this claim.

The City Auditor's Office consulted with law enforcement who advised that it would be extremely difficult to prove or disprove such allegations without a willing witness. Therefore, the City Auditor's office determined to review the existing internal controls designed to ensure collection of green fees.

The final memorandum regarding the Audit Hotline-Alleged Theft at Coral Oaks Golf Course was released on January 4, 2012. There were two recommendations that resulted from this audit that Management agreed to implement. As of this memo, we have verified that implementation of each of these two action items has been completed.

Attached is a grid that defines the underlying finding, the recommendation and Management's agreed upon follow up action response.

Management originally agreed to create a 3-part ticket from Knickers Pub for transactions made after the golf shop closes. Unfortunately, they ascertained that it would not be feasible or cost effective and we concurred. Subsequently, we **recommended** a 2-part receipt be printed and both given to the customer. The customer would retain a receipt and provide the cart attendant with the other in order to play on the course. Management could recall any receipt from the system, if warranted. The Golf Course Management agreed and this is now policy.

We would like to thank Donnie Ward, Parks and Recreation Computer Technician I and Allen Manguson, Golf Professional Manager for their efforts to complete these actions and eliminate or mitigate the risks associated with them.

We are available to respond to any questions or concerns you may have about the information contained in this document. You may contact us at 242-3382.

Attachments:

C: Stephen L. Pohlman, Interim City Manager  
Dolores Menendez, City Attorney  
Rebecca van Deutekom, City Clerk  
Allen Manguson, Golf Professional Manager  
Donnie Ward, P&R Computer Technician I  
Audit Committee

City of Cape Coral  
City Auditor's Office  
Special Project 2011 – Alleged Theft at Coral Oaks  
March 6, 2012

Attachment A

	Finding	Recommendation	Management Response	Contact Person	Target Completion Date
1	The Pro Shop closes between 5:00pm-5:30pm. Outside cart barn staff directs the golfers to Knickers Pub to pay their required fees prior to play on the course.	<b>We recommend</b> that Management place signage outside the Pro Shop and near the cart barn staging area to direct golfers to Knickers Pub to make payment.	<i>Staff will have signs made and posted that read; Please register for golf or purchase range tokens in Knickers Pub when golf shop is closed</i>	Allen Manguson	January 13, 2012
2	Best practices governing play indicates every player must possess a receipt from the Pro Shop while on the course. This was not being done at Coral Oaks.	<b>We recommend</b> that the after hour golfers be provided two receipts from the Knickers Pub staff, one to retain during his play on the course and a second to be given to the starter/cart barn attendant prior to play.	<i>The Rec Trac coordinator has created a 3 part ticket from Knickers Pub for transactions made after the golf shop closes.</i>  <i>*See Auditor's note below</i>	Allen Manguson	January 13, 2012

*\*Management has implemented a different solution which has successfully mitigated the associated risk.*