

Department of Port Administration

Seaport &
Water Transportation Division

Unannounced Cash Count

February 26, 2021



**American Samoa Government
Territorial Audit Office**
Sualauvi Su'a, Acting Director
Report Number: 21-05

AMERICAN SAMOA GOVERNMENT
DEPARTMENT OF PORT ADMINISTRATION
UNANNOUNCED CASH COUNT

I. INTRODUCTION

The Territorial Audit Office (TAO) conducted an unannounced Cash Count for the Department of Port Administration (DPA), Main office in Fagatogo on February 26, 2021. DPA has two collection locations (1) Main Office and (2) Water Transportation Division (WTD).

In planning and performing the audit, we considered the entity's control structure in order to determine the scope and extent of our procedures and not to provide assurance on the internal control structure taken as a whole. However, we noted certain matters involving the internal control structure and its operation that we consider to be material weakness under standards established by with the United States Government Accountability Office (GAO) Standards for Internal Control in the Federal Government. (See Section IV Findings)

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities, in amounts that would be material in relation to the entity's financial statements, may occur and not be detected in a timely period by employees in the normal course of performing their assigned functions.

A description of the responsibility of management for establishing and maintaining the internal control structure, and of the objectives of inherent limitations in such a structure, is set forth in the attached Appendix 1.

II. BACKGROUND

The Department of Port Administration, pursuant to American Samoa Code Annotated Title 20, requires DPA to collect fees from ship owners and cargo owners to defray the cost of constructing, maintaining, and operating hydraulic engineering and navigation facilities, fairways, and canals, as well as the cost of providing various services, including piloting, docking, supplying water, handling freight, and arranging services through local agencies.

The DPA daily cash collection are to be transmitted daily directly to ASG Treasury Revenue Division. A transmittal letter is prepared for all department cash collections and copies of receipts forwarded to Revenue for review and deposit.

The WTD collection consists of passengers and freight charges from the Manu'a Tele Vessel operations on supplies and cargo transporting to and from the Manu'a Islands. Passenger fares are collected daily before or on the date of the vessels departure and car freight cargo is collected on the day the vessel is loaded for departure.

The following table displays current fare prices for the Manu'a Tele:

Passenger	Price	Notes
One way	\$30	
Round Trip	\$50	Must be same vessel voyage to and from destination.
0 to 11 years old	FREE	
12 to 18 (Students)	\$15	All College Students are required to provide a valid School ID for fare price.

The Main office verifies the cash collections to support book receipts, and issued a cash receipt (AR100) to verify receipt of funds.

III. SCOPE, OBJECTIVES AND METHODOLOGY

SCOPE

To conduct this limited scope review, we performed an unannounced cash count at the Department of Port Administration, Main Office location on February 26, 2021.

OBJECTIVES

The objectives of our procedures were to:

1. Determine that cash receipts are complete, accurate, adequately documented, recorded, and deposited timely and intact.
2. Determine the existence and adequacy of written cash collection procedures.
3. Determine that cash and supporting payment receipt records are adequately safeguarded.

METHODOLOGY

We performed the following procedures to achieve the objectives:

1. Conduct a unannounced cash count.
2. Review the numerical and chronological sequence of receipts supporting the cash count.
3. Reviewed payment receipt records from Revenue Division to determine that deposits of cash collected on February 26, 2021 were deposited on a daily basis.
4. Review last deposit before the cash count from Revenue Division to determine the last cash receipt number used and whether all receipts were deposited in numerical and chronological sequential order.
5. Determine the adequacy of written policies and procedures.
6. Determine that employees responsible for cash collection perform their duties in accordance with policies and procedures.

7. Determine the adequacy of safeguards for cash, checks and payment receipts through inquiry, observation, and staff interviews.

The audit was conducted in accordance with the United States Government Accountability Office (GAO) Standards for Internal Control in the Federal Government. Accordingly, we performed tests of source documents, records, and other auditing procedures to obtain sufficient and appropriate evidence to support our findings and recommendations.

IV. FINDINGS

Based on our cash count, we counted total cash and checks amount to \$31,012.03, supported by total book receipts of \$31,052.03, which resulted to cash shortage of \$40.00. Cash receipts were dated from February 19 through 26, 2021 (See Exhibit 1). We also verified a \$55.00 change fund.

In reference to Exhibit 1, it shows the collection from the Port Administration, represented by payment cash receipt (AR100) and collection from Water Transportation, represented by payment book receipts.

Our review shows lack of DPA Management compliance with ASG Treasury Cash Receipt Policy Manual, and Cash Procedures. As a result of weaknesses found during our unannounced cash count as follows:

Finding #1: Cash Shortage of \$40

The cash shortage is due to total cash and checks counted \$31,012.03 against total payment receipts of \$31,052.03. Management should ensure the cash collection is safely secure in the vault to prevent employees using of cash for personal benefit. Appropriate disciplinary action should be taken on employees involve if cash shortage is repeatedly occurred.

Finding #2: No Cash Receipt (AR100) issued by Cashier on \$700 Collection from WTD

Based on cash collection procedures, upon vessel departure ...” Invoice and funds collected are sent to Cashier to issue cash receipt to include in Daily Deposit TL”.

We found no cash receipt (AR100) issued by Cashier at the main office to validate the receipt of cash collections from WTD in the amount of \$700. Collections were supported by receipts dated February 19, 2021 through February 22, 2021 that was withheld by the main office for approximately three days. As a result, we found a \$40 shortage due to total cash receipt amount to \$700. Management should strengthen controls to ensure employees comply with procedures and take accountability for their work.

Finding #3: Missing Receipts Amount to \$ 686.00

During our cash count we found five missing receipts in numerical sequential order. However, after further review of prior deposits made by DPA to Treasury Revenue Division, a prior deposit made before our cash count revealed two of the missing five receipts was deposited on February 23 2021. Therefore, remained three missing receipts in the amount of \$686 during the time of our cash count. (See Exhibit 1)

Management should strengthen controls to ensure periodic reconciliation of receipts is properly performed. This will provide management information on missing receipts and cash shortage that may be potentially misappropriated by employees.

Finding #4: Cash Collection Not Deposited in a Timely Manner and Withheld up to 17 days

We found receipts dated from February 19, 2021 that was not deposited to Treasury Revenue Division until March 8, 2021.

Cash collections are not consistently transmitted daily to ASG Treasury Division. Of the ten deposits reviewed, they were not made in a timely manner with delays in deposits and cash withheld. This increases the risk of potential fraud and misappropriation of funds by employees.

ASG Cash Receipts Policy Manual 1.8 “Cash Receipts will be Deposited Daily. All deposits should be made daily and intact – no cash should be retained or expended”

Finding #5: Cash Collection used for Unauthorized Petty Cash - \$1,974

According to DPA Financial Manager, cash collections funds are being used as Petty Cash for the WTD emergency purchases for boat parts and other supplies as needed. For this purpose, cash collection funds are being withheld for deposit until reimbursement payments are made by Accounts Payable Vouchers (APV). Based on our interview, we confirmed DPA current accounting process regarding this matter:

The invoices received from purchases are in return paid back by form of process through an APV for reimbursement to funds used. This reimbursement therefore covers the cash collection used for emergency to be deposited to Treasury Revenue Division once accounted for with supporting receipts. (See Exhibit 2)

The ASG Treasury Cash Receipts Policy Manual 1.8 and Cash Procedures, “To avoid unreported revenues, departments are not permitted to make any purchases with the cash collected. If a department needs a petty cash fund, a request should be made through proper channels at the Treasury Department.”

The DPA Director should assess the need of the department and formally request a Petty Cash from ASG Treasurer to avoid and discontinued the current practice of using the cash collection as

Petty Cash fund. This practice may result in legal action for potential fraud and misappropriation of government funds if authorize parties pursue to do so.

Finding #6: Book Receipts Not Use in Chronological Numerical Sequence

We found DPA uses two separate unused booklet receipts for their own internal record keeping at the same time. One book receipt is used for passenger payment records and the other one is used for cargo payment records.

For proper control, one book receipt should be use first until it is complete before another book receipt is use. Using of receipts in chronological numerical sequence is a tool for management control to prevent and detect missing receipts in a timely manner. Such controls are extremely important in avoiding material errors and irregularities.

Finding #7; Need to Update Cash Collection Procedures

DPA currently have older policies and procedures on Cash Collection that needs to be updated and documented. It is important that all personnel have a clear understanding of management's expectations regarding internal financial controls. Also, it should be in conjunction with ASG Treasury Cash Receipt Policy Manual

Finding #8: Physical Safeguards of Assets

Based on our review and observation, we found the physical safeguarding of cash on hand, unissued receipts and copies of issued receipts appears to be adequate. DPA has a vault to store cash and unissued receipts overnight. As a result, we found no exception noted.

V. OTHER

It should be noted, that after our cash count was verified and signed by DPA Cashier/Fund Custodian: Total cash collections were not deposited together as verified. All cash, checks and supporting receipts counted and verified **must be kept intact** and deposit to ASG Treasury Revenue Division on the day of the cash count or the next business day.

However, our cash count review confirmed the deposit to ASG Treasury Revenue Division was made in three separate dated deposits and transmittal letters. (TL# 296803 3/2/21, TL# 296084 3/2/2, and TL# 296086 3/8/2021).

VI. RECOMMENDATIONS

We recommend the Director of DPA to:

1. Update current cash collection procedures in writing. It is important that all personnel have a clear understanding of management expectations regarding internal financial controls. Such policies should address, among other things,
 - Policies on cash shortages or overages, and what sanctions would be placed on employees having a certain number/amount of cash shortages or overages.
 - Policies on cash collection deposit in a timely manner to Treasury Revenue Division
 - Policies on using payment receipts in a chronological numerical sequence.
2. Comply with ASG Treasury Cash Receipts Policy
3. Request in writing an authorized Petty Cash fund to ASG Treasury.
4. Install a Point of Sale (POS) system to streamline the cash collection process at the Fagatogo Wharf Office and one at Airport – Tafuna site. The system will instantly account for revenues received and will default each transaction to the right revenue account in the ASG Accounting System, the One Solution, and summarizes all transactions on a daily basis. This computerized POS system will also ensure efficiencies, generate receipts and receipt numbers automatically and will allow Treasury Revenue and the DPS administrators to view only access options. The costs to have this systems set-up, installed and maintained are quite minimal and will certainly improve cash collection procedures.

VII. CONCLUSION

Since the Department of Port Administration's general management cash collections policies and procedures are not documented in writing, the scope of our work was not sufficient to enable us to conclude that the cash collections policies of the Department of Port Administration are being followed. However, based upon the work performed, nothing came to our attention that would make us believe that internal controls over cash receipts are inadequate, other than mentioned above. However, the scope of our work was not designed to test the adequacy of internal controls over collections.

EXHIBITS

Exhibit 1

DEPARTMENT OF PORT ADMINISTRATION - SEAPORT							
Unannounced Cash Count Review							
February 26, 2021							
PER CASH COUNT				PER ASG REVENUE DEPOSIT			

A. CASH RECEIPTS AR-100

RCPT#	RCPT DATE	RCPT DESCRIPTION	AMOUNT	DEP. DATE	TL#	DELAYS	REMARKS
0768960	2/24/21	INV.21291 V.70-01-21,1/22/21	\$ 250.00	3/2/21	296083	6	chk#1214
0768961	2/24/21	INV.21288 OT HAULING 2/20/21	\$ 60.00	3/2/21	296083	6	chk#15330
0768962	2/26/21	WHARFAGE & TONNAGE V96-01-24	\$ 30,002.03	3/2/21	296084	4	chk#1705
			<u>\$ 30,312.03</u>				

B. BOOK RECEIPTS

RCPT#	RCPT DATE	RCPT DESCRIPTION	AMOUNT	MISSING RECEIPT	DEP. DATE	TL#	DELAYS	REMARKS
0350092	2/19/21	CARGO - VEHICLE	\$ 250.00		3/8/21	296086	17	
0350093	2/19/21	NO DESCRIPTION NOTED		\$136.00	3/3/21	296085	12	missing receipt
0350094	2/19/21	NO DESCRIPTION NOTED		\$250.00	3/3/21	296085	12	missing receipt
0350095	2/22/21	CARGO - VEHICLE	\$ 250.00		3/8/21	296086	14	
0350137	2/22/21	PASSENGER FARE	\$ 60.00		3/8/21	296086	14	
0350138	2/22/21	PASSENGER FARE	\$ 30.00		3/8/21	296086	14	
0350139	2/22/21	PASSENGER FARE	\$ 30.00		3/8/21	296086	14	
0350140								deposited before cash count
0350141	2/19/21	TA#03691,03693-96, 03698-03700		\$300.00	3/8/21	296086	17	missing receipt
0350142								deposited before cash count
0350143	2/23/21	PASSENGER FARE	\$ 30.00		3/8/21	296086	13	
0350144	2/23/21	PASSENGER FARE	\$ 60.00		3/8/21	296086	13	
0350145	2/26/21	NO DESCRIPTION NOTED	\$ 30.00		3/8/21	296086	10	
			<u>\$ 740.00</u>	\$686.00				

TOTAL VERIFIED RECEIPTS	\$ 31,052.03						
LESS:							
TOTAL CASH COUNTED	\$ 31,012.03						
CASH SHORTAGE	\$ 40.00						

Note:

Missing Receipts - These receipts were not presented during the time of our cash count although they were dated 2/19/21.
 However, they were shown on deposits to Revenue Division on 3/8/21

Exhibit 2

DEPARTMENT OF PORT ADMINISTRATION - SEAPORT				
Schedule of Book Receipts Withheld for Petty Cash				
As of April 1, 2021				
BOOK RECEIPTS				
RCPT#	RCPT DATE	RCPT DESCRIPTION	AMOUNT	REMARKS
0356739	3/29/21	CARGO PAID IN PAGO PAGO FROM MANUA	\$ 292.00	
0356740	3/29/21	PASSENGERS	\$ 250.00	
0356742	3/29/21	CARGO PAID IN PAGO PAGO FROM MANUA	\$ 530.00	
0357051	3/29/21	PASSENGERS	\$ 250.00	
0357053	3/29/21	PASSENGERS	\$ 42.00	
0357055	3/29/21	PASSENGERS	\$ 150.00	
0357056	3/29/21	PASSENGERS	\$ 12.00	
0357057	3/29/21	PASSENGERS	\$ 6.00	
0357058	3/29/21	PASSENGERS	\$ 9.00	
0357059	3/29/21	PASSENGERS	\$ 152.00	
0357060	3/29/21	PASSENGERS	\$ 6.00	
0357061	3/29/21	PASSENGERS	\$ 9.00	
0357062	3/29/21	PASSENGERS	\$ 54.00	
0357063	3/29/21	PASSENGERS	\$ 180.00	
0357064	3/29/21	PASSENGERS	\$ 18.00	
0357065	3/29/21	PASSENGERS	\$ 8.00	
0357066	3/29/21	PASSENGERS	\$ 6.00	
			TOTAL	\$ 1,974.00

SOURCE: Port Administration Finance Office

VIII. APPENDIX 1

MANAGEMENT RESPONSIBILITY FOR THE INTERNAL CONTROL STRUCTURE. OBJECTIVES, AND LIMITATIONS OF THE INTERNAL CONTROL STRUCTURE.

The following comments are taken from Statements on Auditing Standards for Internal Control in the Federal Government.

Management Responsibility

Management is responsible for establishing and maintaining the internal control structure. In fulfilling this responsibility, estimates and judgements by managements are required to assess the expected benefits and related costs of control procedures.

Objectives

The objectives of the internal control structure are to provide operations, reporting, and compliance. However, these standards are not intended to limit or interfere with duly granted authority related to legislation, rulemaking, or other discretionary policy making in an organization. These objectives, as they relate to an audit, include the establishment of policies and procedures that provide reasonable assurance that the entity has recorded, processed, summarized, and reported financial data that is consistent with management's assertions that are embodied in the financial statements.

In addition, the internal control structure provides management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and the transactions are executed in accordance with approved policies and procedures, and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Limitations

Because of the inherent limitations in any internal control structure, errors, and irregularities may occur, and not be detected. Internal controls structures, and compliance with approved policies, and procedures must be continuously monitored, and tested because of the risk that they may become inadequate because of changes in the entity, or because of a deterioration in compliance with approved policies and procedures.

IX. COMMENTS FROM DEPARTMENT OF PORT ADMINISTRATION

Due to the purpose of this report, we blacked out any Management and Staffing names from DPA audit response.

Unannounced Cash Count Audit

FEB 26, 2021

RESPOND TO AUDIT FINDING

Director, Department of Port Administration

AMERICAN SAMOA GOVERNMENT

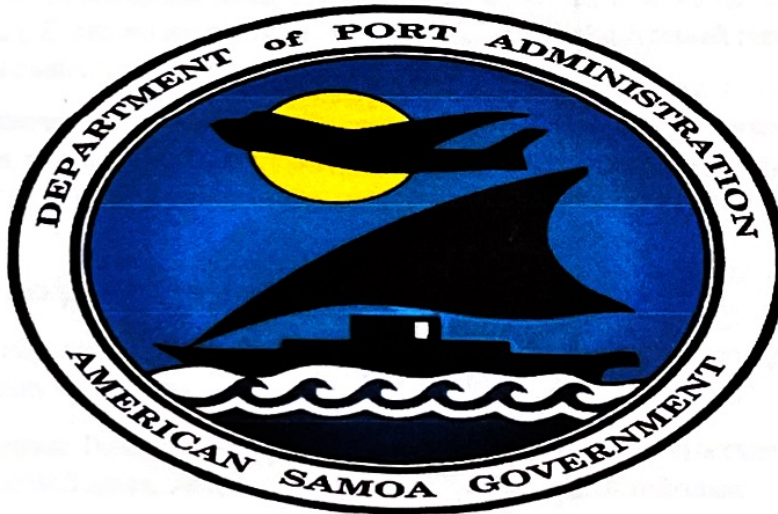
TERRITORIAL AUDIT OFFICE



Unannounced Cash Count Audit

FEB. 26, 2021

RESPOND TO AUDIT FINDING



Director: Christopher J King

I. INTRODUCTION

The Territorial Audit Office (TAO), pursuant to the American Samoa Code Annotated Title 04-Executive Chapter 4.0411 emphasize (a) The audit standards shall incorporate the standards for audit of governmental organizations. (b) All audits conducted or caused to be conducted by the Territorial Auditor shall be performed with the highest degree of professionalism and with strict avoidance of any degree of partisanship or bias.

The unannounced cash count audit of DPA's petty cash and change funds was conducted by the ASG Territorial Audit Office on February 26, 2021, identifying opportunities for improvement. [REDACTED] (cashier) was the only staff present during the audit. Not everything was presented by our cashier to the auditors given the internal segregation of duties of our Manu'atele vessel procedures. Two weeks later, our DPA Accounting Team met with Acting Director [REDACTED] and auditors to discuss findings from the audit. We are grateful to Acting Director [REDACTED] and auditors that worked with us in their endeavor for DPA Finance to stay in compliance with ASG Treasury policies and procedures with handling cash collection.

It is my belief that the auditor's report, while accurate to the degree of information collected, there are elements that had been corrected and clarified based on recommendations.

II. OPPORTUNITIES FOR IMPROVEMENT AND MANAGEMENT RESPONSES

Please refer to our response to each of the 8 findings from the unannounced cash count audit:

Finding #1: Cash Shortage of \$40

Recommendation: Management should ensure the cash collection is safely secured in the vault to prevent employees from using cash for personal benefit. Appropriate disciplinary action should be taken on employees involved if cash shortage is repeatedly occurred.

Management's Response: Although your count encountered a shortage, the \$40 was not missing but stored in a separate cash box by [REDACTED] pending reconciliation. We have 3 separate cash boxes: 1) Manu'atele collection, 2) unidentified cash pending recon and 3) checks/cash deposit received after 3pm. All three cash boxes are safely secured in vault.

Cashier [REDACTED] was the only staff present during the audit. Vangie was on leave on the day of audit. Every voyage, a \$100 change fund are placed in the Ofu money bag and Ta'u money bag of \$50 each. The captains are to safe deliver the bags to Managers Lopa of Ofu and Manager Sega of Ta'u/Fitiuta and vice versa.

Finding#2: No cash receipt (AR100) issued by Cashier on \$700 Collection from WTD

Recommendation: Management should strengthen controls to ensure employees comply with procedures and take accountability for their work.

Management's Response: Duties and responsibilities for our vessel collection have been delegated to our Finance staff and the WTD admin. As follow are their assigned duties/responsibilities:

1. [REDACTED] (cashier) - write and issue receipts of passenger fares and cargo; handles collection; process IGC payments for ASG departments; responsible with daily deposits to Revenue.
2. [REDACTED] (accountant) - reconciliation of all issued receipts to match cash; passenger boarding.
3. [REDACTED] (WTD admin) - measures cargo to determine cost and assist with passenger boarding.

4. ██████████ - prepares the cargo manifest and passenger list; verify all cash and receipts
5. ██████████ - oversee all procedures of the vessel collection operation

Our petty cash request to the Treasury Department during Treasurer Ueligitone's tenure was denied. We've honored your recommendation and submitted our request to the new Treasurer. Maintenance of the vessels and rest of port assets are of high priority. The FY2021 budget was not approved until the new administration came in. Our many requests to the Budget Office were limited or on hold because of the pending budget. Therefore, the collection we've received from the vessel operation was approved to be *utilized as petty cash* which led us to withheld receipts back, while we process the voucher payments (account for expenses) to replenish our vessel collection (recognize revenue).

The \$740 collection was not available for deposit until Vangie completes her reconciliation to account for the set aside \$40 and the return of \$100 change fund for deposit.

Cash receipts for the \$740 were locked in the "pending reconciliation" cash box.

Finding#3: Missing receipts amount to \$686

Recommendation: Management should strengthen controls to ensure periodic reconciliation of receipts is properly performed. This will provide management information on missing receipts and cash shortage that may be potentially misappropriated by employees.

Management's Response: Receipts are held back since cash have been utilized to fund for unexpected expenses such as urgent needed materials for the vessel, flat tires repair, etc. We do not label the \$686 receipts as missing, instead "withheld" receipts. Vouchers are processed to reimburse these receipts to redeposit under our 101047 account.

Finding#4: Cash Collection Not Deposited in a Timely Manner and Withheld up to 17 days

Recommendation: ASG Cash Receipts Policy Manual 1.8 "Cash Receipts will be Deposited Daily". All deposits should be made daily and intact – no cash should be retained or expended".

Management's Response: It was only one withheld receipt#0350141 that was deposited later on 3/8/21. As previously mentioned, DPA was denied petty cash so funds from our vessel collection were utilized to meet the urgent needs of our Port divisions for a smooth flow of operations. Invoices/receipts are then attached to our vouchers requesting for reimbursement to replenish our vessel fund deposits. Deputy Treasurer ██████████ was notified about this procedure. DPA deposits are always done on a timely manner upon receipt of collection from port users. The Manu'atele vessel collection's reconciliation has to be completed after every departure and return trip. Once reports are completed and all cash receipts and paperwork are in order, then deposits are made usually within a day or two.

Finding#5: Cash Collection used for Unauthorized Petty Cash - \$1,974

Recommendation: The ASG Treasury Cash Receipts Policy Manual 1.8 and Cash Procedures, "To avoid unreported revenues, departments are not permitted to make any purchases with the cash collected. If a department needs a petty cash fund, a request should be made through proper channels at the Treasury Department."

The DPA Director should assess the need of the department and formally request a Petty Cash from ASG Treasurer to avoid and discontinued the current practice of using the cash collection as Petty Cash Fund.

This practice may result in legal action for potential fraud and misappropriation of government funds | authorize parties pursue to do so.

Management's Response: We resubmitted our request to the Treasurer for a \$500 Petty Cash for all 6 harbors and \$500 Petty Cash Fund for 3 airports.

Processing orders through our PO system and getting vendors paid on time has always been an issue with local accounts. DPA is a huge department with a \$6M local budget to work with. As of to date, we still have outstanding invoices from prior years still pending payment. The process needs to be amended, especially when POs/vouchers had completed the process, pending payment. The government should understand the dire need in materials and supplies of our department to keep all airports and harbors in operation 24/7 and to comply with FAA and US Coast Guard policies and regulations.

Majority of the DPA task force are still underpaid and yet, most of the management staff have fronted their own personal cash to cover for port's operational unexpected expenses. Hence the reason why our Finance had found it fitting to reimburse them immediately.

Finding#6: Book receipts not use in chronological numerical sequence

Recommendation: For proper control, one book receipt should be use first until it is complete before another book receipt is use. Using of receipts in chronological numerical sequence is a tool for management control to prevent and detect missing receipts in a timely manner. Such controls are extremely important in avoiding material errors and irregularities.

Management's Response: The use of two book receipts was for easier internal reconciliation of our reports. Passenger receipts to be in chronological order and Cargo receipts in chronological order as well.

We are now using one receipt booklet as recommended.

Finding#7: Need to Update Cash collection procedures

Recommendations: It is important that all personnel have a clear understanding of management's expectations regarding internal financial controls. Also, it should be in conjunction with ASG Treasury Cash Receipt Policy Manual.

Management's Response: All of our staff are aware of our revised procedures utilizing Manu'atele vessel collection as Petty cash to simply reimburse management staff and purchase necessary materials and supplies to keep operations running. Please refer to (Attachment 1) the updated SOP of our Manu'atele vessel collection.

Finding#8: Physical Safeguard of Assets

Recommendations: All cash, checks and supporting receipts counted and verified must be kept intact and deposit to ASG Treasury Revenue Division on the day of the cash count or the next business day.

Management's Response: Please refer to Attachment 2. Towards the end of each business day, the cashier prepares a cash log form to note down any checks/cash that will be stored in our vault pending deposit on the next business day. Finance Manager approves the daily cash log. Cashier then makes a copy of cash log: the copy goes to the Finance Manager and the original copy filed by cashier.

III. ATTACHMENTS



Department of Port Administration

P.O. Box 1539

Pago Pago, American Samoa

American Samoa Government



LEMANU P. S. MAUGA
GOVERNOR

TALAEUGA E. V. ALE
LT GOVERNOR

Christopher J. King
Director

Falenaoti S. A. Loi-On Frue
Deputy Director

Attachment 1

MANU'ATELE OPERATIONS

Standard Operating Procedures Business Office Collection:

Vessel Departure

- **PASSENGERS** (*PAX Fares are collected daily before or on the date of vessel's departure*)
 1. Accountant fills out Travel Authorization (TA) for Traveler with following information needed:
 - Names (First & Last)
 - Today's Date
 - DOB / Age
 - Contact Number
 - Emergency Contact (Name & Number)
 - Destination Port
 2. TA is referred to Cashier for processing of payment and issuing of receipt.
 3. Once receipt is issued, original receipt (white) is attached to Traveler's TA Copy (white), and pink receipt is attached to Finance Copy of TA (pink); WTD Office Copy (yellow).
 4. Finance TA Copy (pink) is sent to Accountant to update Vessel Voyage Masterlist.
 5. All cash and receipts collected by 2pm, is prepared by Accountant for deposit.
 6. Accountant verifies all cash to ensure that balance matches total of all issued receipts.
 7. Accountant generates QuickBooks invoice for total daily collection.
 8. Invoice and funds collected are sent to Cashier to issue Cash receipt to include in Daily Deposit TL.
 9. For Passengers fares received after 2pm, follow steps 1 to 4.

10. At the end of the day, Cashier verifies all payments collected to ensure that it matches with receipts issued.
 11. Cashier fills out Form FIN-01-CMO and passes on to Accountant for review and verification.
 12. Accountant reviews Cashier's report of Form FIN-01-CMO and passes on to Manager for final verification.
 13. Report and funds are then passed on to Cashier to lock in vault. Cashier is responsible for the safe-keeping of all funds.
 14. Next day, Cashier verifies all funding in vault to ensure all is there.
 15. Accountant generates QuickBooks Invoice to prepare for deposit.
 16. Invoice and funds collected are sent to Cashier to issue Cash receipt to include in Daily Deposit TL.
- **CARGO (CAR Freight is collected on the day vessel is loading for departure)**
 1. Water Transportation Representative measures cargo and fills out Bill of Lading (BL) with the following information:
 - Consignee Names (First & Last)
 - Cargo Description
 - Destination Port
 2. BL is referred to Cashier for processing of payment and issuing of receipt.
 3. Once receipt is issued, original receipt (white) is attached to Original BL (white), and pink receipt is attached to Finance Copy of BL (pink); WTD Office Copy (yellow).
 4. Finance BL Copy (pink) is sent to Accountant to update Vessel Voyage Manifest.
 5. Acceptance of cargo at Inter-Island Dock ends at 3pm. Cashier verifies all payments collected to ensure that it matches with receipts issued.
 6. Cashier fills out Form FIN-01-CMO and passes on to Accountant for review and verification.
 7. Accountant reviews Cashier's report of Form FIN-01-CMO and passes on to Manager for final verification.
 8. Report and funds are then passed on to Cashier to lock in vault. Cashier is responsible for the safe-keeping of all funds.
 9. Next day, Cashier verifies all funding in vault to ensure all is there.
 10. Accountant generates QuickBooks Invoice to prepare for deposit.
 11. Invoice and funds collected are sent to Cashier to issue Cash receipt to include in Daily Deposit TL.

**MANU'ATELE OPERATIONS
Cash Log Sheet**

Cashier: _____

Date: _____

CASH COUNT:

\$100 x _____ = _____
\$50 x _____ = _____
\$20 x _____ = _____
\$10 x _____ = _____
\$5 x _____ = _____
\$1 x _____ = _____
25¢ x _____ = _____
10¢ x _____ = _____
5¢ x _____ = _____
1¢ x _____ = _____

CHECKS:

1.) _____
2.) _____
3.) _____
4.) _____
5.) _____
6.) _____
7.) _____
8.) _____
9.) _____
10.) _____

TOTAL CASH: _____
TOTAL CHECKS: + _____
TOTAL COLLECTION: _____

PAX Receipts Total _____
CAR Receipts Total + _____
TOTAL RECEIPTS: _____

TOTAL COLLECTION: _____
TOTAL RECEIPTS: - _____
SHORTAGE/OVERAGE: _____

RECEIPTS ISSUED:

PAX:
FIRST RCT ISSUED: _____
LAST RCT ISSUED: _____

CAR:
FIRST RCT ISSUED: _____
LAST RCT ISSUED: _____

OTHER NOTES:

VERIFIED BY (ACCOUNTANT): _____
APPROVED BY (MANAGER): _____

IV. RESPOND TO TERRITORIAL AUDIT OFFICE RECOMMENDATIONS (Section IV)

1. We are revising our current SOP to incorporate policies on cash shortages/overages. We've started using one receipt booklet for both passenger fares and cargo and no longer using vessel funds as petty cash.
2. We've honored your recommendations and are complying with ASG Treasury Cash Receipts Policy.
3. Our petty cash request approved by Director [REDACTED] was submitted to the Treasurer last week. We humbly seek your assistance to advise Treasurer of the urgent need to have petty cash available to meet the dire needs of our Port operations.
4. Acting IT manager [REDACTED] and [REDACTED] are now in the works to fulfill this urgent request from our Finance Division.

V. CONCLUSION

DPA Finance commend the Territorial Audit Office efforts on this unannounced cash audit. We are taking steps to ensure departmental compliance.