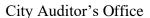
# City Auditor's Office Cash Controls Follow-Up

April 2020



City Auditor, Lori Brooks Jaquess, CPA, CIA, CGAP, CRMA Assistant City Auditor, Susan Edwards, CIA, CFE







April 13, 2020

Honorable Mayor and Members of the City Council:

The City Auditor's Office has completed a follow up to the Cash Controls Audit completed in October 2019. The objective was to determine the implementation status of the audit recommendations presented in the original audit report.

Management concurred with all six recommendations in the original report. Follow-up procedures indicate management implemented all of the prior audit recommendations.

We would like to thank staff from the Finance Department for their assistance and cooperation in completing this audit.

Lori Brooks Jaquess

Lori Brooks Jaquess, CPA, CIA, CGAP, CRMA City Auditor

cc: Trey Yelverton, City Manager
Jim Parajon, Deputy City Manager
Gilbert Perales, Deputy City Manager
Jennifer Wichmann, Assistant City Manager
Mike Finley, CFO

### Cash Controls Follow-Up Audit

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#### **Background**

The City Auditor's Office completed the Cash Controls Audit in October 2019. The purpose of the audit was to assess controls related to petty cash and change funds and ensure compliance with City policies and procedures. The objective of this follow up project is to determine the implementation status of the audit recommendations included in the original report.

#### Audit Scope and Methodology

The scope of the project was limited to following up on management's implementation of the previous audit recommendations. Our methodology included obtaining updated status reports from management regarding the implementation of the audit recommendations and reviewing relevant supporting documentation.

The matrix on the following pages illustrates the results of the follow up procedures.

#### Cash Controls Audit Status of Prior Audit Recommendations

PRIOR AUDIT RECOMMENDATION	CONCUR/ DO NOT CONCUR	PRIOR MANAGEMENT RESPONSE	RESPONSIBLE PARTY	DUE DATE	CURRENT MANAGEMENT RESPONSE/ IMPLEMENTATION STATUS	AUDIT CONCLUSION
1. The City Auditor's Office	Concur	Reconciliations for both	,		Complete.	Implemented
recommends the Finance		funds are completed	Controller	2019		
Department perform a review		and reviewed on a				
and update the Petty Cash and		monthly basis by				
Change Fund lists and		Finance. Lists are				
maintain a current status in the		updated in accordance				
future.		with the policies when				
		departments submit				
		requests to add or				
		change custodians.				
		Going forward, Finance				
		will request that				
		departments review and				
		confirm assigned				
		custodians and amounts				
		on an annual basis.				

PRIOR A RECOMMEN		CONCUR/ DO NOT CONCUR	PRIOR MANAGEMENT RESPONSE	RESPONSIBLE PARTY	DUE DATE	CURRENT MANAGEMENT RESPONSE/ IMPLEMENTATION STATUS	AUDIT CONCLUSION
recommends Department communicating departments to when there is a existence, assig or dollar am funds, to he consistent cu	the Finance consider to a reminder to notify Finance change in the gned custodian ount of these elp ensure a arrent status. ould be diligent ting to Finance occur.	Concur.	This can be included in the annual request for departments to review and confirm assigned custodians and amounts.	Amy Trevino, Controller	Dec 2019	Complete.	Implemented
Department con the department, weaknesses we provide a ren established pol related respon addition, thes	at the Finance nmunicate with s where control re identified to ninder of the icies and their sibilities. In e departments Finance with a	Concur.	Finance will communicate with departments found to be in non-compliance with policies and will provide a reminder of the requirements and responsibilities in the annual review/confirmation process at year end.	Amy Trevino, Controller	Dec 2019	Complete.	Implemented

	PRIOR AUDIT RECOMMENDATION	CONCUR/ DO NOT CONCUR	PRIOR MANAGEMENT RESPONSE	RESPONSIBLE PARTY	DUE DATE	CURRENT MANAGEMENT RESPONSE/ IMPLEMENTATION STATUS	AUDIT CONCLUSION
4.	The City Auditor's Office recommends that the Finance Department review and update, as needed, the Change Fund, Petty Cash, and Cash Handling Policies and Procedures.	Concur.	Finance will review and update the applicable policies and procedures, as needed.	Amy Trevino, Controller	Dec 2019	Reviewed, will update as needed annually during YE close.	Implemented
5.	The City Auditor's Office recommends that the Finance Department perform a review of the number, dollar amount, and use of petty cash funds and make adjustments as needed.	Concur.	Annually, Finance will request that departments review and confirm assigned custodians, amounts and adjust as needed.	Amy Trevino, Controller	Dec 2019	Complete.	Implemented
6.	The City Auditor's Office recommends that the Finance Department perform a review of the number and dollar amounts of change funds and make adjustments as needed.	Concur.	Annually, Finance will request that departments review and confirm assigned custodians, amounts and adjust as needed.	Amy Trevino, Controller	Dec 2019	Complete.	Implemented

April 2020