

COUNTY OF SACRAMENTO

DEPARTMENT OF FINANCE - AUDITOR-CONTROLLER DIVISION – INTERNAL AUDIT UNIT

INTERNAL AUDIT REPORT

**SHERIFF'S OFFICE
CORRECTIONAL SERVICES DIVISION
WORK RELEASE UNIT
AGREED UPON PROCEDURES**

CASH HANDLING REVIEW



Audit Committee Submittal Date: 11/09/2023

SUMMARY

Background

The Department of Finance (Finance) performed a cash handling review of the Sacramento County Sheriff's Office (Sheriff), Correctional Services Division, Work Release Unit (Unit).

Audit Objective

Agreed upon procedures were performed to review the Unit's cash receipts policies and procedures, observe and document how cash was received and accounted for within the Sacramento County Accounting System (COMPASS), and verify balances of imprest cash for the review period December 1, 2022, through December 31, 2022.

Summary

Based on our procedures, we did not note any exception.

Department of Finance

Chad Rinde
Director



County of Sacramento

Divisions

Auditor-Controller
Consolidated Utilities Billing &
Service
Investments
Revenue Recovery
Tax Collection & Licensing
Treasury

October 23, 2023

Peter Aw-Yang, Assistant Treasurer
Department of Finance
County of Sacramento
700 H Street, Room 1710
Sacramento, CA 95814

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Dear Mr. Aw-Yang:

We have performed the procedures enumerated below, which were agreed to by you, regarding Sacramento County Sheriff's Office (Sheriff), Correctional Services Division, Work Release Unit (Unit). These procedures were performed solely to evaluate the Unit's cash handling control procedures for the period December 1, 2022 to December 31, 2022. For the purpose of this cash handling review, "cash" is defined as all forms of money, and includes, but is not limited to, currency, coin, checks, electronic checks, money orders, credit cards, and debit cards.

Sheriff's management is responsible for maintaining sufficient cash handling controls. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, and on page 2, either for the purpose for which this report has been requested or for any other purpose. This report is applicable solely to procedures referred to below, and on page 2, and is not intended to pertain to any of Sheriff or the Unit's other operations, procedures or compliance with laws and regulations.

Our procedures and findings are summarized as follows:

1. We obtained and reviewed the Unit's cash receipt policies and procedures to identify any concerns or internal control issues.

Result: We did not note any exceptions as a result of this procedure.

2. We visited the Unit's location to observe and document how the cashier handled received cash, and perform a walkthrough of the cash receipt process with the Unit's staff.

Result: We did not note any exceptions as a result of this procedure.

Peter Aw-Yang
Assistant Treasurer
October 23, 2023

3. We counted the Unit's cash on hand and compared the imprest cash counted to the authorized amount in the Sacramento County Financial System (COMPASS) and treasury's deposit record.

Result: The Unit's cash on hand agreed to the authorized amount and Treasury's record without any exceptions. See ATT 1 – *Schedule of Imprest Cash and Deposits*

4. We reviewed the cash receipt log prepared by the Unit's staff and compared the amounts to COMPASS.

Result: We did not note any exception as a result of this procedure.

5. Followed up on status of prior recommendations.

Result: It appeared that the prior recommendations have been implemented. See ATT 2 – *Current Status of Prior Recommendations*.

This agreed-upon procedures engagement was conducted in accordance with the Standards for Attestation Engagements contained in *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States of America. We were not engaged to, and did not perform an audit or examination, the objective of which would be the expression of an opinion or conclusion, respectively, on the Unit's fiscal processes or results of our procedures referred above. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report relates only to the results of our procedures referred to above, and does not extend to Sheriff's or Unit's operations as a whole.

This report is intended solely for the information and use of the Sacramento County Board of Supervisors, Sacramento County Audit Committee, Sacramento County Executive, and Sheriff's management. It is not intended to be, and should not be, used by anyone other than these specified parties. However, this restriction is not intended to limit distribution of this report, which is a matter of public record.

Sincerely,

CHAD RINDE
DIRECTOR OF FINANCE



By: Hong Lun (Andy) Yu, CPA
Chief of Audits

Attachments

ATT 1 – *Schedule of Imprest Cash and Deposits*
ATT 2 – *Current Status of Prior Recommendations*

SACRAMENTO COUNTY SHERIFF'S OFFICE
CORRECTIONAL SERVICES DIVISION
WORK RELEASE UNIT
CASH HANDLING REVIEW
FOR THE PERIOD DECEMBER 1, 2022 TO DECEMBER 31, 2022

SCHEDULE OF IMPREST CASH AND DEPOSITS

IMPREST CASH

<u>Amount as of December 21, 2022</u>	<u>Amount Counted</u>	<u>Amount Per COMPASS</u>	<u>Variance</u>
Change Funds	\$ 700.00	700.00	0.00

DEPOSITS

<u>Deposit Permit Number</u>	<u>Deposit Date</u>	<u>Amount per Deposit Register</u>	<u>Amount Per COMPASS</u>	<u>Variance</u>
1300823241	12/01/22	\$ 180.00	180.00	0.00
1300823375	12/02/22	603.00	603.00	0.00
1300823999	12/09/22	650.00	650.00	0.00
1300824180	12/12/22	50.00	50.00	0.00
1300824376	12/13/22	275.00	275.00	0.00
1300824624	12/15/22	160.00	160.00	0.00
1300825181	12/22/22	80.00	80.00	0.00

SACRAMENTO COUNTY SHERIFF'S DEPARTMENT
CORRECTIONAL SERVICES DIVISION
WORK RELEASE UNIT
CASH HANDLING REVIEW
FOR THE PERIOD DECEMBER 1, 2022, TO DECEMBER 31, 2022

CURRENT STATUS OF PRIOR RECOMMENDATIONS

**FROM THE PRIOR CASH HANDLING REVIEW REPORT
FOR THE PERIOD FEBRUARY 1, 2016, TO MARCH 31, 2021, DATED JUNE 8, 2016**

1. External Bank Account

Prior Recommendation

We recommended Sheriff's Office, Work Release Unit (Unit) obtain authorization for its external bank account from the Director of Finance and record its external bank account in Sacramento County Accounting System, (COMPASS). We also recommended the Unit ensure timely transfers are made from its external bank account to the County Treasury within seven days per Sacramento County Code and ensure that all its receipts are properly transferred. We further recommended the Unit track the book balance of its external bank account and reconcile its bank statements to the book balance. We also recommended the Unit transfer stale dated checks six months or older to the County Treasury. We also recommended the Unit ensure its revenues and expenses are properly recorded in COMPASS.

Current Status

The Unit has closed its external bank account.

2. Check Signatures (External Bank Accounts)

Prior Recommendation

We recommended the Unit require two signers to issue checks to better safeguard assets and prevent any theft or misappropriation of funds.

Current Status

It appeared the prior recommendation has been implemented.

3. Check Endorsement

Prior Recommendation

We recommended the Unit restrictively endorse its checks immediately upon receipt.

Current Status

It appeared the prior recommendation has been implemented.

SACRAMENTO COUNTY SHERIFF'S DEPARTMENT
CORRECTIONAL SERVICES DIVISION
WORK RELEASE UNIT
CASH HANDLING REVIEW
FOR THE PERIOD DECEMBER 1, 2022, TO DECEMBER 31, 2022

CURRENT STATUS OF PRIOR RECOMMENDATIONS

**FROM THE PRIOR CASH HANDLING REVIEW REPORT
FOR THE PERIOD FEBRUARY 1, 2016, TO MARCH 31, 20216, DATED JUNE 8, 2016**

4. Transaction Logs

Prior Recommendation

We recommended the Unit ensure all its payments are documented on its transaction logs on the day they are received. If a correction needs to be made, the entry should be lined out, an explanation for the change should be documented and initialed by the individual making the correction and reviewed and approved by a supervisor.

Current Status

It appeared the prior recommendation has been implemented.