

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
July 12, 2015

To: Board of Supervisors

From: Department of Finance

Subject: Relief Of Accountability For Cashiering Shortages For The Department Of Waste Management & Recycling At The North Area Recovery Station (NARS) And The Kiefer Landfill For Fiscal Years 2009 And 2010 In The Amounts Of \$1,360.19 And \$1,303.98, Respectively

Supervisory  
District: All

Contact: Paul Philleo, Director, 875-6789  
(Questions relating to the request for relief of accountability)

Alan A. Matré, Chief of Audits, 874-7259  
(Questions relating to the review of the request)

**Overview**

The Department of Waste Management & Recycling (DWMR) is charged with the responsibility of collecting revenues associated with refuse disposal at the North Area Recovery Station (NARS) and the Kiefer Landfill.

DWMR is requesting relief of accountability for cash losses totaling \$2,664.17 as detailed on the attached requests dated July 13, 2009 and October 25, 2010. The culmination of the cash losses is the result of cashiering shortages noted at DWMR's NARS and Kiefer Landfill facilities for fiscal years 2009 and 2010.

Approval of DWMR's requests for relief of accountability will allow the department to remove the cashiering losses from its financial records.

**Recommendation**

Approve the attached requests for relief of accountability from DWMR for cashiering shortages totaling \$2,664.17 for fiscal years 2009 and 2010.

**Measures/Evaluation**

Not Applicable.

**Fiscal Impact**

The net fiscal impact to the County of Sacramento is a \$2,664.17 cash loss resulting from cashiering operations at NARS and the Kiefer Landfill. The realizable cash loss is in fund 051A (DWMR-Landfill Services). There is no fiscal impact to the General Fund, and DWMR is not requesting replenishment of the lost funds.

## **BACKGROUND**

The Department of Waste Management & Recycling (DWMR) is responsible for maintaining the waste management system for residents and businesses in the unincorporated area of Sacramento County. Services provided by DWMR include: garbage recycling and collection services for residences, management of garbage disposal and recycling facilities, and operation of recycling programs.

DWMR operates the North Area Recovery Station (NARS) in North Highlands (4450 Roseville Road) and the Kiefer Landfill (Kiefer) in Sloughhouse (12701 Kiefer Boulevard.). During fiscal years 2009 and 2010, DWMR cashiering operations located at both facilities experienced cash shortages during normal business operations. DWMR is emphasizing additional training for its cashiers in order to mitigate future losses at its disposal facilities.

Cash losses equal to, or greater than, \$1,000 must be presented to the County Board of Supervisors annually. DWMR is requesting relief of accountability in the amount of \$2,664.17 in order to remove the outstanding balance from its financial records.

The County of Sacramento's Accounting System and Procedure Manual (Volume IV, Chapter VII) requires the Auditor-Controller's Office to review cash losses from County departments equal to, or greater than, \$1,000 and forward the request for relief of accountability to the County Board of Supervisors for approval.

## **DISCUSSION**

Cashiering losses are \$1,360.19 for fiscal year 2009 and \$1,303.98 for fiscal year 2010. Reported cash losses from each facility in fiscal year 2009 is \$1,112.63 for NARS and \$247.56 for Kiefer. Reported cash losses from each facility in fiscal year 2010 is \$869.99 for NARS and \$433.99 for Kiefer.

## **FINANCIAL ANALYSIS**

Not Applicable.

## **FINANCIAL ANALYSIS**

Also attached is the Department of Finance's Internal Audits staff report for this request. The results of the review confirmed that the circumstances related to the loss have been properly reported and reviewed as required by Volume IV, Chapter VII of the County's Accounting System and Procedure Manual. The results of that review did not indicate evidence of fraud or gross negligence on the part of County of Sacramento management. In addition, the request and appropriate supporting documentation have been reviewed and were found to be complete. Therefore, we are recommending the County Board of Supervisors approve the request for relief of accountability.

Relief Of Accountability For Cashiering Shortages For The Department Of Waste Management & Recycling At The North Area Recovery Station (NARS) And The Kiefer Landfill For Fiscal Years 2009 And 2010 In The Amounts Of \$1,360.19 And \$1,303.98, Respectively  
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Respectfully submitted,

APPROVED:  
NAVDEEP S. GILL  
County Executive

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BEN LAMERA,  
Director of Finance

By: \_\_\_\_\_  
DAVID VILLANUEVA  
Chief Deputy County Executive

Attachments

- Attachment 1: DWMR Request for Relief of Accountability For Cashiering Shortages At NARS and The Kiefer Landfill for Fiscal Year 2009
- Attachment 2: DWMR Request for Relief of Accountability For Cashiering Shortages At NARS and The Kiefer Landfill for Fiscal Year 2010
- Attachment 3: Department of Finance, Auditor-Controller Division, Internal Audits Staff Report Dated February 10, 2015

**COUNTY OF SACRAMENTO**  
**Department of Finance**

Request for Relief of Accountability

1 To:	Dave Irish Director of Finance		
2 From:	Paul Philleo - Director, DWMB <i>Paul Philleo</i>	Date:	7-10-09
3 Subject:	<b>REQUEST FOR RELIEF OF ACCOUNTABILITY</b>		
4	We are requesting Relief of Accountability for the assets listed below: <input checked="" type="checkbox"/> Cash (ignore items 6a and 6c) <input type="checkbox"/> Fixed Asset – Equipment (book value is \$10,000 and under) <input type="checkbox"/> Controlled Equipment (inventoriable non-fixed asset)		
5	in the amount of: \$ 1,360.19		

6 <b>Background Information</b>		
6a County identification record number:  NA	6b Date the asset was lost, stolen, or discovered missing:  NA	6c Cost and net book value of asset:  NA
6d Detailed description of missing asset(s):  Accumulation of all cash shortages occurring at Kiefer Landfill and our North Area Recovery Station Scale Houses.		
6e Unit or location where asset was assigned when discovered missing:  BU 2200000000, Fund 051A, Fund Centers: 2200350 (KLF) and 2200450 (NARS).		

**COUNTY OF SACRAMENTO  
Department of Finance**

**Request for Relief of Accountability**

<b>7</b> <b>Circumstances Surrounding the Loss</b>	
<b>7a</b> Name, title, and department of person reporting the loss:  David Ralls, Sr. Accountant - DWMR	<b>7b</b> Name(s) and telephone number(s) of person(s) responsible for control of the missing asset(s):  Nicole Johnson, ASO III - DWMR 916-875-6954
<b>7c</b> Detailed description of the loss:  See 6 (d).	
<b>7d</b> How was the loss discovered?  Daily cash reconciliation of cash available vs. what should be available per Waste Works (DWMR's point of sale system used at both Kiefer Landfill and our North Area Recovery Station).	
<b>7e</b> Specify agencies contacted and dates:  NA	

**COUNTY OF SACRAMENTO  
Department of Finance**

**Request for Relief of Accountability**

8 Detail the existing security measures that should prevent asset losses: Cash control procedures and proper training of scale attendants.
9 Detail security changes set in place after the loss to prevent future losses: The decrease in overall volume experienced at both sites as well as the continued effort to monitor the individual attendant's performance seems to have helped reduce the number of errors in the processing of transactions.
10 Contact person(s) and telephone number(s): Nicole Johnson, 916-875-6954

We understand that the approval of this request for relief of accountability by the Director of Finance does not address the department's appropriations if the item(s) need to be replaced.

Attach: Completed and signed Equipment Movement Report (EMR)  
Copy of required police report (City or Sheriff)

**COUNTY OF SACRAMENTO**  
**Department of Finance**

Request for Relief of Accountability

1	To: Julie Valverde Director of Finance		
2	From: Paul Philleo - Director, DWMR	Date: 7.25.10	<i>Paul Philleo</i>
3	Subject: <b>REQUEST FOR RELIEF OF ACCOUNTABILITY</b>		
4	<p>We are requesting Relief of Accountability for the assets listed below:</p> <p><input checked="" type="checkbox"/> Cash (ignore items 6a and 6c)</p> <p><input type="checkbox"/> Fixed Asset – Equipment (book value is \$10,000 and under)</p> <p><input type="checkbox"/> Controlled Equipment (inventoriable non-fixed asset)</p>		
5	in the amount of: \$ <b>1,303.98</b>		

6		
<b>Background Information</b>		
6a County identification record number:  <b>NA</b>	6b Date the asset was lost, stolen, or discovered missing:  <b>NA</b>	6c Cost and net book value of asset:  <b>NA</b>
6d Detailed description of missing asset(s): <i>(period 7/1/09 - 6/30/10)</i>  Accumulation of all cash shortages occurring at Kiefer Landfill and our North Area Recovery Station Scale Houses.		
6e Unit or location where asset was assigned when discovered missing:  BU 2200000000, Fund 051A, Fund Centers: 2200350 (KLF) and 220450 (NARS).		

**COUNTY OF SACRAMENTO  
Department of Finance**

Request for Relief of Accountability

7 <b>Circumstances Surrounding the Loss</b>	
7a Name, title, and department of person reporting the loss:  David Ralls, Sr. Accountant - DWMR	7b Name(s) and telephone number(s) of person(s) responsible for control of the missing asset(s):  Nicole Johnson, ASO III - DWMR 916-875-6954
7c Detailed description of the loss:  <b>See 6 (d)</b>	
7d How was the loss discovered?  <b>Daily Cash reconciliation of point of sale system.</b>	
7e Specify agencies contacted and dates:  NA	



**COUNTY OF SACRAMENTO  
Department of Finance**

Request for Relief of Accountability

8 Detail the existing security measures that should prevent asset losses:  <b>Cash control procedures and proper training of scale attendants.</b>
9 Detail security changes set in place after the loss to prevent future losses:  <small>Turnover in the intermittent pool of attendants this year required a significant amount of training of replacements. This year we expect less turnover, less training and a continued emphasis on attention to detail.</small>
10 Contact person(s) and telephone number(s):  <b>Nicole Johnson, 916-875-6954</b>

We understand that the approval of this request for relief of accountability by the Director of Finance does not address the department's appropriations if the item(s) need to be replaced.

Attach: Completed and signed Equipment Movement Report (EMR)  
Copy of required police report (City or Sheriff)

**COUNTY OF SACRAMENTO  
INTERNAL SERVICES  
DEPARTMENT OF FINANCE  
AUDITOR-CONTROLLER**

*Intra-Departmental Correspondence*

February 10, 2015

To: Julie Valverde  
Director of Finance

From: Alan A. Matré  
Chief of Audits

Subject: **RELIEF OF ACCOUNTABILITY FOR CASH LOSSES -  
WASTE MANAGEMENT & RECYCLING DEPARTMENT**

On July 13, 2009 and October 27, 2010, we were informed by the personnel of the County of Sacramento's Department of Waste Management & Recycling (DWMR) that cash losses totaling \$2,664.17 had occurred. The cash losses are a culmination of cashiering shortages occurring at the North Area Recovery Station (NARS) and the Kiefer Landfill during business operations in fiscal years 2009 and 2010. The reported cash loss for fiscal year 2009 is \$1,360.19, and the reported cash loss for fiscal year 2010 is \$1,303.98. Departmental personnel are emphasizing an attention to detail and additional training in order to prevent future losses. The losses are summarized as followed:

<u>Type</u>	<u>Fiscal Year</u>	<u>Amount</u>	<u>Total</u>
Solid Waste Operations Account	2009	\$1,360.19	\$1,360.19
Solid Waste Operations Account	2010	1,303.98	1,303.98

Based on the Department's investigation concerning the loss and its emphasis on additional training, we recommend that relief of accountability be granted.

Our examination was limited to reviewing written reports and interviewing Department personnel and does not constitute an audit.