

COUNTY OF SACRAMENTO

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

INTERNAL AUDIT REPORT

SHERIFF'S OFFICE
CORRECTIONAL SERVICES DIVISION
MAIN JAIL UNIT
AGREED UPON PROCEDURES

CASH HANDLING REVIEW



Audit Committee Submittal Date: 01/16/2024

SUMMARY

Background

The Department of Finance (Finance) performed a cash handling review of the Sacramento County Sheriff's Office (Sheriff), Correctional Services Division, Main Jail 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 the external bank account 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

November 7, 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, Mail Jail 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 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 cash was handled and perform a walkthrough of the cash handling process with the Unit's staff.

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

Peter Aw-Yang
Assistant Treasurer
November 7, 2023

3. We reconciled daily deposits and cash on hand to amounts reported in the Sacramento County Financial System (COMPASS) and treasury's deposit record.

Result: We did not note any exception as a result of the procedure performed. See ATT 1 – *Schedule of Deposits Tested and External Bank Account*.

4. We reviewed the external bank account receipts and transfers and compared the amounts to the bank statement.

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

5. We reviewed the external bank reconciliation and compared the reconciliation amount to the COMPASS amount.

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

6. We counted bus passes on hand and compared the count to the bus pass listing.

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

7. We followed up on status of prior recommendations.

Result: It appears 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.

Peter Aw-Yang
Assistant Treasurer
November 7, 2023

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 Deposits Tested and External Bank Account*
- ATT 2 – *Current Status of Prior Recommendations*

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

SCHEDULE OF DEPOSITS TESTED AND EXTERNAL BANK ACCOUNT

DEPOSITS

Deposit Permit Number	Deposit Date	Amount per Deposit Register	Amount Per COMPASS ⁽¹⁾	Variance
1300823835	12/7/2022	\$ 155.86	155.86	0.00
1300824665	12/16/2022	252.34	252.34	0.00
1300824666	12/16/2022	995.92	995.92	0.00
1300824737	12/16/2022	422.93	422.93	0.00
1300824961	12/20/2022	355.62	355.62	0.00
1300824974	12/20/2022	1,030.16	1,030.16	0.00
1300825023	12/21/2022	251.15	251.15	0.00

EXTERNAL BANK ACCOUNT

Date	Balance Per Bank Reconciliation	Balance Per COMPASS	Variance
December 31, 2022	\$ 1,145,056	814,528	330,528 (2)(3)

BUS PASSES

Date	Total Bus Passes Counted	Total Number of Bus Passes per Listing	Variance
December 20, 2022	745	745	0

- (1) Sacramento County Accounting System (COMPASS)
(2) COMPASS balance is reconciled to bank balance at June 30th, annually.
(3) Bank account COMPASS balance includes both Main Jail and Rio
Consumnes Correctional Center activities.

See Independent Accountant's Report on Applying Agree-Upon Procedures

SACRAMENTO COUNTY SHERIFF'S DEPARTMENT
CORRECTIONAL SERVICES DIVISION
MAIN JAIL 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
JULY 1, 2015 TO SEPTEMBER 30, 2015, DATED APRIL 25, 2016**

1. Mail Payment Receipt Logs

Prior Recommendation

We recommended the Main Jail maintain a mail log and agree the mail log to the deposit made to Sacramento County Treasury and the Main Jail's record keeping system, Clerk Online Record ePortal (CORE).

Current Status

It appeared the prior recommendation has been implemented.

2. Cash Safe Access

Prior Recommendation

We recommended the Main Jail establish and implement procedures where a second individual is present when the cash safe is opened to retrieve the funds. Funds should be recorded on a log immediately with both individual signatures to ensure the funds are accounted for. Also, the log should be reconciled to the deposit amount in the County Treasury.

Current Status

It appeared the prior recommendation has been implemented.

3. Separation of Duties

Prior Recommendation

The Main Jail should comply with the Sheriff's Office General Order Cash Handling Procedures and implement proper internal controls over its cash receipt process by separating the cash handling responsibilities so one individual cannot handle a transaction from beginning to end. The Main Jail should not allow one employee to perform both the Trust Officer and the Trust Office Supervisor's duty at the same time. Additionally, a separate employee should reconcile the daily check log register to the external bank account.

Current Status

It appeared the prior recommendation has been implemented.

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4. Authorized Signor on Bank Accounts

Prior Recommendation

We recommended the Main Jail contact the bank institution and the Finance Department to include the Director of Finance as an authorized signor on the checking account. We further recommended the Main Jail to require two signors for all bank account disbursements.

Current Status

It appeared the prior recommendation has been implemented.