



COUNCIL INFORMATION

Office of the City Auditor

February 19, 2002

To: Honorable Mayor and  
Members of the City Council

From: Ann-Marie Hogan, City Auditor

Subject: Citywide Cash Receipts / Cash Handling Survey Report

STATUS:

The objective of the Citywide Cash Receipts / Cash Handling Survey (Cash Survey) was to identify all of the City of Berkeley department locations that receive or handle cash or cash equivalents, and obtain some information about them. Information was obtained from division managers, or other staff assigned by the department director, by means of a questionnaire. The information provided from the returned questionnaires was not audited. Later this fiscal year, cash receipt / handling audits will be conducted at several City locations. The Cash Survey will be used by the auditors to select the locations that will be audited.

Returned questionnaires identified 94 locations that receive / handle cash and cash equivalents totaling an estimated \$69,997,640 annually. Approximately \$11,332,849 of the \$69,997,640 is in the form of currency. For purposes of the Cash Survey, cash equivalents have been defined as all forms of monetary payment, including checks, debit and credit cards, etc. The 94 locations do not include Finance – Treasury. The estimated cash and cash equivalents received and/or handled at this location was not estimated by Finance representatives; however, they reported that most City department locations bring their money to Finance - Treasury to be deposited. The 94 locations also excludes the City and County Employee Credit Union, which Finance representatives reported deposits and accounts for approximately \$4.5 million in parking ticket payments annually, much like a City department location. Excluding Finance – Treasury and the Credit Union, 8 City locations deposit their money directly to a bank or savings institution.

Returned questionnaires identified 13 department locations that did not have written policies and procedures for cash receipts / cash handling. Nine of these locations received or handled \$300 - \$20,000,000. On November 2001, the auditors sent department directors a letter, recommending that written policies and procedures be developed by December 11, 2001. By December 17, 2001, all locations had established written policies and procedures.

FINANCIAL IMPLICATIONS:

None.

CONTACT PERSON:

Ann-Marie Hogan, City Auditor,  
Office of the City Auditor, (510) 981-6750

Approved by:

\_\_\_\_\_  
Ann-Marie Hogan, City Auditor  
Office of the City Auditor