

# Petty Cash Audit Follow-Up

**Objective, Scope and Methodology:** The objective was to determine if City management implemented the recommendations made in an earlier report, Petty Cash Audit (Project# 2021-15). The scope reviewed included all petty cash reimbursement requests from 07/01/2023 through 06/30/2024 as well as one custodian's records dating back to 10/24/2022 due to infrequency of usage. The methodology included reviewing detailed receipts while conducting annual year-end cash counts in June 2024, confirming secure locations for each cash box, and reviewing all reimbursement receipts within the scope listed above.

## What Was Found

**Prior Recommendation #1:** Management should remind custodians of the expenditure limit and Senior Management approval for any expenditures above the threshold. The Finance Department should monitor for purchase amounts when reviewing reimbursement submittals to ensure Senior Manager approval is documented when required.

**Status: Implemented** A reminder was sent to Finance Department staff immediately following the original audit to ensure all staff were aware of and enforced the expenditure limit or required Senior Manager approval when expenditures are needed above the standard limit. All petty cash reimbursements for Fiscal Year 2023/2024 were reviewed, one reimbursement was above the standard limit and contained the appropriate Senior Manager approval.

**Prior Recommendation #2:** All receipts should be scanned in with the pre-numbered form to allow for efficient review.

**Status: Implemented** Petty cash pre-numbered forms and detailed receipts are now scanned into each reimbursement request, so I was able to easily review details for all petty cash receipts reviewed as part of this follow-up.

**Additional Recommendation:** During this follow-up review, it was determined that one of the current departmental petty cash boxes last reimbursement request dated back to 10/24/2022. There were six receipts found during the annual cash counts performed in June, dating back to 09/04/2023, yet a reimbursement request had not been submitted by the department as of 07/17/2024. A recommendation was made to their Senior Manager to close out the petty cash box due to infrequent use. Petty cash will still be available if needed, but reimbursement will be handled through the Finance Department.