

County Department Cash Counts

67TH COUNTY AUDITORS INSTITUTE
COLLEGE STATION, TEXAS

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Why Are Cash Counts Important?

- **Satisfies Statutory Requirements**
 - LGC 115.003 – At least once each quarter...the auditor shall, without advance notice fully examine...and count, the cash held by the county treasurer...
 - LGC 115.0035 – At least once each county fiscal year, ...the auditor shall without advance notice, fully examine...(Funds Collected By County Entity)
- **Fraud Deterrent**
 - Detection and Prevention
- **Promotes Customer/Client Relations**

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Cash Count Planning

- Create a Cash Count Schedule

- Essentials
 - ✦ Department - Location
 - ✦ Change Fund Amounts
 - ✦ Dates of Completion
 - ✦ Customize
 - Safes
 - Notes
 - Other

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Cash Count Planning

- Staff Assignments
 - ✦ Number of Staff
 - ✦ Staff Experience
 - ✦ Mix it Up
- Planning Dates and Times
 - ✦ Conduct Regularly
 - ✦ Should be a Surprise
 - ✦ Be Considerate

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2nd Qtr FY2017 Cash Count Schedule Examples									
DEPT	Office	LOCATION	Change Fund Amt	Safe	A/C Assist	Area	Notes	Last Quarter Issues and Performance Date of Last Audit	Change Fund Modify/E establish
Juvenile	Juvenile Probation, Family Enrichment	301 East Mitchell, Geno Brabham	\$5,000.00	yes	3	Southside	Mid Qtr & End of Qtr. Get copies of receipts. See Cash Count Folder on Drive G.	DLA: 11-4-16	Petty Cash - Special Program
Juvenile	Juvenile Probation, Domestic Minor Sex Trafficking	301 East Mitchell, Geno Brabham	\$2,500.00	yes	3	Southside	Mid Qtr & End of Qtr. Get copies of receipts. See Cash Count Folder on Drive G.	DLA: 11-14-16	Review of 5/21/2013 \$3000; Juvenile Dept requests only \$2,500 at the time - Petty Cash.
TAX	Auto, Customer Service, Cashiers	Vista Verde, 1st floor	\$275.00	yes	4/6/1	Downtown	Before starting, get updated box list from Jeanette T. (31234); No Audit on Wed.	DLA: 10-27-16	
TAX	Auto, Customer Service, Supervisor	Vista Verde, 1st floor	\$500.00	yes	4/6/1	Downtown	Start between 2-3PM; Complete by 3:30 and no Audit on Wednesday	DLA: 10-27-16	
TAX	Beer & Liquor	Vista Verde, in the Back 1st Floor	\$0.00	No	4/6/1	Downtown	This is a manual process; Make a copy of the certificates. The number of cashiers could vary.	DLA: 10-27-16	
Public Works	Environmental Permits	Vista Verde Bldg, 420 4th floor	\$0.00		4/6/1	Downtown	review for mail; two individuals collecting funds. make copy of notification sheet for Public Works	DLA: 10-27-16	
Sheriff	Work Release Program	200 N Comal, own entry at south end of	\$100.00	yes	3/1	Jail/AP	review mail-in log	DLA: 11/29/16	
CS CD (AP)	Adult Probation Main Office	207 Comal	\$500.00	yes	3/1	Jail/AP		DLA: 12/27/2016	Increase of fund dated 11/18/2014 from \$200 to \$500
Fire Marshall	Fire Marshall	622 Doloresa	\$0.00	yes	2/5	Downtown	Monday mornings best time; Two people collect payments for permits and inspections	DLA: 10/31/16	
Parking	Parking Garage, Shift 1-AM	Parking Garage Booth, 211 S Flores	\$475.00	yes	2/5	Downtown	best mid AM on Fridays; A attendant busy w/cous to early AM	DLA: 11/23/16	\$1,780 increase of fund dated 6/16/2011 from \$4,130 to \$5,910; New Change Fund \$900 (New \$4,010 - Subsequent 10/1/15)
BiblioTech	coinbill acceptor	3005 Pleasanton Rd	\$190.00	yes	5/7	Southside	Open @ noon; See Cash Count Process in Cash Count Folder on Drive G. if CD is already used, will require "Library Job Summary" to balance	DLA: 11-4-16	
Precinct 2	J.P. Pct 2, Pl 1 & 3 (Change Fund)	7723 Guilbeau, Suite 105	\$200.00	yes	6/1	Northwest	Court is Mon & Tues-very busy	DLA: 11-9-16	
Sheriff	Business Office Travel Funds	200 N Comal	\$8,000.00		3/1	Jail/AP	Review backing; this fund is only to be used for extraterritorial (food and lodging; gas is charged)	DLA: 11/29/16	
Total			\$17,740.00		1 = J. Alvarez 5= TD	2= Tony Romo 6= Janice Finch	3= Becky Harmon 7= Michael Phelps	4= Karli Leonard	
Notes:									
1) total counts = 114									

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Cash Count Planning

- Cash Count Department Permanent File
 - Know the Office/Department
 - ✖ Background
 - ✖ POC – Management
 - ✖ Cashiering/Receipt System
 - ✖ Fund Type
 - ✖ Other – Safe, Mail in Log, Notes, Etc.,...

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Cash Count Process

- Cash Count Department Permanent File
 - Cash Count Procedures – Cash Verification & Reconciliation
 - ✦ Number and List Steps
 - ✦ Specify Procedures Pertinent to the Office/Department
 - ✦ Refer to a Standard Cash Count Form

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Background:

Work Release office collects money from inmates for being in the program. They collect money 24 hours. If money is collected after business hours, the officer's will put it in the drop slot into the safe. Missy is the only one who processes payments. So when she comes in, she will check the safe for any monies collected. The key to the safe is kept in Sergeant Rosco's office. Only she and the Sergeant know where the key is kept locked in his office.

Supervisor: Sergeant Rosco
Receipt System: iNovah
Change fund: \$100.00
Safe: Yes
Mail-in log: Yes

Step 1: Request printed copy iNovah 'Batch Tender Totals' report.

Step 2: Count money in drawer and list checks/money orders, complete the Reconciliation form. (see separate instructions for the form) Be sure to have cashier sign form.

Step 3: Request to get copy of Mail-in log. (They can email it to you if needed.) Notate on Reconciliation form that you reviewed mail-in log. If any issues, note on form. Otherwise note "good" or "no issues".

Step 4: Request to review contents of safe for any additional money or checks being held. Notate on Reconciliation form that you reviewed safe. If any issues, note on form. Otherwise note "empty" or list contents of safe.

Step 5: Staple copies of all reports to the completed/signed Reconciliation form.

Mail In Log	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Current?	Notes: Log good; safe empty
Safe/Vault	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Ck Contents	

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Bexar County Auditor's Office
Cash Verification and Reconciliation

prepared by _____ date _____
approved by _____ date _____

Auditee (dept/office/description):		Date:
Auditor/Assistant:		Time:
Cash Custodian:		Box #
Total Authorized Amount (d):		

Cash on Hand			Cash Fund Reconciliation		
Coins	Denomination	Amount	Cash on Hand (a)		
No. of Rolls			Checks and M.O. (b)		
0.50 roll	0.01		Other Cash Items (c)		
2.00 roll	0.05		Total Money Counted		
5.00 roll	0.10		Less (Cash Change Fund) (d) ()		
10.00 roll	0.25		Less Total Receipts Issued (e) ()		
10.00 roll	0.50		Cash Over (Short)		
Currency	Number		<p>The above cash was counted in my presence and was returned to me intact. There are no other county funds in my possession for which I am responsible.</p> <p>Signature: _____</p> <p>Printed Name: _____</p>		
1.00					
2.00					
5.00					
10.00					
20.00					
50.00					
100.00					
Total (a)					

Checks & Money Orders			Other Cash Items		
Number	Amount		Number	Amount	Description
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
Total (b)			Total (c)		

Receipts To Account For			
Beginning Number	Ending Number	Batch Total	Manually or computer Generated
			<input type="checkbox"/> manual <input type="checkbox"/> computer
			<input type="checkbox"/> manual <input type="checkbox"/> computer
Total (e)			

Mall In Log	Yes	No	Current?	Notes:
Safe/Vault	Yes	No	Ck Contents	
Notes/Comments				

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Making the Most of the Cash Count

- Cash Fund On Hand
 - Too Much, Too Little, or Just Right?
 - ✦ Change Fund
 - ✦ Petty Cash Fund
 - ✦ Travel Fund, etc.,

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Change Fund Modifications

BACKGROUND

In accordance with Local Government Code §130.902, the commissioners court of a county may set aside from the general fund an amount approved by the county auditor for use as a change fund by any county or district official who collects public funds. Additionally, on the auditor's recommendation, commissioner's court may increase or decrease the change fund at any time.

The change fund may only be used to make change in connection with collections that are due and payable to the county, the state, or another political subdivision of the state that are processed by the official. The change fund may not be used to make loans or advances or to cash checks any kind.

The official who receives a change fund is responsible for the correct accounting and disposition of the fund.

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Request to Establish/Modify Change Fund Form

REQUEST TO ESTABLISH/MODIFY CHANGE FUND		
To Be Completed By the Requesting Department		
Organization Number _____	Department Name _____	Amount Requested _____
Telephone Number _____	County Officer / County Department Head Name _____	Check one <input type="checkbox"/> New
Telephone Number _____	Designated Custodian's Name _____	<input type="checkbox"/> Increase. If requesting an increase, indicate the amount of your current change fund _____
Justification for Opening or Modifying Change Fund Balance _____ _____		
Requested By _____ County Officer / County Department Head Signature _____ Date _____		
To Be Completed By the County Auditor's Office		
Amount appears reasonable based upon established guidelines. <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain _____ _____		
Reviewed by: _____ Date _____ Authorized Signature _____ Date _____		
Sent to Commissioners Court on _____ Date _____		
To Be Completed By Commissioners Court		

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Making the Most of the Cash Count

- Evaluate Internal Controls
 - Cash
 - ✦ Deposits – (Endorsement “For Deposit Only”, secure, timely...)
 - ✦ Check payee line filled out
 - ✦ Identifying counterfeit money
 - ✦ Look for any kitties
 - ✦ Receipts (appropriately secured, numbered and issued)
 - ✦ Sharing a cash till

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Making the Most of the Cash Count

- Evaluate Internal Controls - continued
 - Other
 - ✦ Segregation of Duties (cashiering, balancing, depositing, posting)
 - ✦ Dual Controls – (cashier and management for refunds/voids)
 - ✦ System Passwords – (exist, not shared, periodically updated)
 - ✦ Credit Cards – (Federal, State, and Rules are being followed)
 - ✦ Fines and Fees – (amounts collected are correct)
 - ✦ Sales Taxes – (when applicable - correctly calculated and collected)
 - ✦ Automation – (manual vs. automated process)
 - ✦ Policies and Procedures (written department policies and procedures)

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Making the Most of the Cash Count

- **Security Observations**
 - Security cameras are visible and working
 - Open access to cashiering areas
 - Small safes not bolted to the floor or a secure structure
 - Combinations not changed in years
- **Look for Signs of Fraud**
 - Un-cashed old checks
 - Checks and/or cash hidden underneath cash till
 - Out of place paperclips or other items used as counters

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Cash Count Completion

- **Cash Count Wrap Up**
 - Review cash count form
 - ✦ Check to make sure the form is complete and accurate
 - ✦ Auditee/Auditor signed off and dated form
 - ✦ Upon request – leave a copy of the cash count form
 - ✦ Periodically refer cashiers and management to County online cash handling guidelines
 - No Findings
 - ✦ File away
 - Findings
 - ✦ Give time for the cashier to resolve shortage/overage
 - ✦ If unresolved, go over findings with cashier and management
 - ✦ Give instructions for the shortage/overage
 - ✦ If significant discrepancy and/or possible fraud – notify Office Official and law enforcement if applicable
 - ✦ Follow up – what corrective actions have been taken to rectify issue

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Cash Handling Guidelines

- **Background/Purpose**

- Minimal requirements for establishing adequate cash handling controls
- Written procedures required in each county department
- LGC 157.903 – Commissioners Court indemnification
- Prescribe general policies and guidelines pertaining to cash transactions

- **Guidelines**

- Deposits
- Thefts
- NSF's
- Cash Receipts
- Overages/Shortages
- Indemnification

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Contact Information

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Thank You for Your Time – God Bless!

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