

# **CITY OF ALLENTOWN**

## **CASH COUNT Revenue & Audit January 05, 2022**

**Date of Report: January 06, 2022**

The Finance Department ensures the financial stability of the city by managing all financial functions in an efficient, cost-effective, and responsive manner. The Finance department oversees long range strategic financial planning and provides city departments and the public with timely and accurate financial information, while assuring clarity and accountability.

Finance - Revenue and Audit involves the administration of various taxes and user charges levied by the City, in accordance with appropriate enabling legislation. It also involves enforcement activities directed at collecting delinquent taxes, user charges and miscellaneous invoices, as well as audits conducted to ensure all business-related taxes payable to the City are calculated properly and paid timely.

Finance – Revenue & Audit maintains 3 cash register drawers plus 1 extra drawer for checks only.

### **OBJECTIVE**

The audit objectives were:

1. To perform a surprise cash count of all cash funds maintained by Finance – Revenue & Audit.
2. To ensure the funds and supporting documentation of cash drawer balances for the day(s) of our visit were present and properly reported.
3. To determine the existing policies and procedures including AIMs were being followed and whether internal controls were adequate to ensure that all cash is collected, accurately recorded, safeguarded, and deposited.
4. To evaluate the reasonableness of the amount of the funds.
5. To identify any potential cash receipt and cash handling internal control weaknesses including but not limited to the physical security of the funds.

### **PROCEDURES**

This audit was conducted in accordance with generally accepted governmental auditing standards and utilized an approach that included staff interviews, reviews of documents, and reports and examinations of individual financial transactions.

Our process began by counting the individual cash funds while being observed by Finance – Revenue & Audit personnel. The physical counts were compared to the

prescribed system (cash drawers). Any discrepancies between the prescribed totals and the physical count were validated with the Finance – Revenue & Audit personnel.

Thru discussion and observation, we completed the Internal Control Questionnaire and identified potential internal control weaknesses.

### **FINDINGS, RECOMMENDATIONS AND RESPONSES**

#### **CASH COUNT: OVERAGES/SHORTAGES**

Based on the review performed, controls appear adequate and no exceptions were noted.