



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 22-021

February 01, 2022

Introduced: 1/24/2022

Current Status: ATS Paused

Version: 1

Matter Type: BoS Resolution

ADOPT RESOLUTION TO:

- a. Approve the Policy for Cash Handling Controls, Policy for Petty Cash and Change Funds, and Policy for Outside Bank Accounts which supersede the existing Cash Handling Policy issued by the Auditor-Controller
- b. Approve the above policies' codification into the Accounting and Internal Control Policy Manual for incorporation into the Board Policy Manual.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to:

- a. Approve the Policy for Cash Handling Controls, Policy for Petty Cash and Change Funds, and Policy for Outside Bank Accounts which supersede the existing Cash Handling Policy issued by the Auditor-Controller
- b. Approve the above policies' codification into the Accounting and Internal Control Policy Manual for incorporation into the Board Policy Manual.

SUMMARY/DISCUSSION:

The Cash Handling Policy of the County of Monterey was issued by the Office of the Auditor-Controller (ACO) in 1997 and needed updates. Although, conceptually valid and applicable today, the document needed formatting and procedural updates and codification in the Board's Policy Manual to make it user friendly and consistent.

The intent of the Cash Handling Policy update project was to revise and simplify the Policy for the ease of review, understanding and compliance by the County departments. Staff reviewed the existing policy extensively and made substantial revisions to the format, forms, and procedures. The proposed policy is better organized with improved format and broken out into three separate policy documents with updated procedures.

The purpose of each policy is outlined as follows:

- Policy for Cash Handling Controls establishes minimum procedural and documentation requirements and controls related to cash handling. In addition, it adds a new policy statement and establishes requirements for the Departments to have written documentation of their cash handling procedures and controls.

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- Policy for Petty Cash and Change Funds establishes minimum procedural requirements and controls related to managing petty cash and change funds.
- Policy for Outside Bank Account establishes minimum procedural requirements and internal controls related to outside bank accounts establishment, and their related accounting and reconciliation requirements to ensure County’s financial records are accurate and complete.

In addition, the ACO is establishing the “Accounting and Internal Control Policy Manual” to organize all central accounting policies in one overarching manual. As additional Accounting and Internal Control related areas are reviewed by the ACO to create new or update existing policies, they will be incorporated in this newly established Accounting and Internal Control Policy Manual and codified in the Board’s Policy Manual for improved structure, consistency, and use county-wide.

OTHER AGENCY INVOLVEMENT:

The Treasurer- Tax Collector’s Office has reviewed and their input has been incorporated in this updated policy as appropriate. The proposed updated policy was provided to County departments for review.

FINANCING:

There are no financial implications associated with adopting the updated policies.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Attachments:

- Board Report
- C-01 Policy for Cash Handling Controls
- C-02 Policy for Petty Cash and Change Funds
- C-03 Policy for Outside Bank Accounts
- C-01-1 Cash Handling Control Guidelines
- C-02-1 Petty Cash and Change Fund Guideline
- C-03-1 Guidelines for Outside Bank Accounts
- Cash Handling Policy_Supersceded
- Resolution

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