

CITY OF MOUNTAIN VIEW, CALIFORNIA

Independent Accountant's Report
on Applying Agreed Upon Procedures
Related to the Recreation Division's
Internal Controls Over Cash Collections

For the Period from July 1, 2017
through March 31, 2018



Certified
Public
Accountants



**Independent Accountant's Report
on Applying Agreed Upon Procedures
Related to the Recreation Division's
Internal Controls Over Cash Collections**

Ms. Patty Kong, City Auditor
City of Mountain View
Mountain View, California

We have performed the procedures enumerated below, which were agreed to by the City of Mountain View, California (City), on the Recreation Division's internal controls over cash collections for the period from July 1, 2017 through March 31, 2018. Management of the City and the Recreation Division are responsible for Recreation Division's internal controls over cash collections. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

PROCEDURES AND FINDINGS

The agreed-upon procedures performed and the related findings are as follows:

1. We obtained the Recreation Division's documentation of check and cash handling procedures.

Finding: No exceptions were noted as a result of our procedures. On April 24, 2018, we met with the Recreation Division's Program Assistant and obtained the Recreation Division's documentation of check and cash handling procedures. See Recreation Division documentation at Attachment A.

2. We haphazardly selected a sample of 15 cash receipts transactions from the Recreation Division's revenues listing for the period from July 1, 2017 through March 31, 2018.

Finding: No exceptions were noted as a result of our procedures. Out of the 15 samples selected, 9 samples are related to sales to customers and 6 samples are related to donations received.

3. We agreed the selected individual transactions to the corresponding cash receipts.

Finding: No exceptions were noted as a result of our procedures.

4. For cash receipts related to sales to customers, we verified that fees charged to the customers are calculated based on the effective fiscal year 2017-18 Master Fee Schedule, published and approved by the City.

Finding: No exceptions were noted as a result of our procedures on the 9 samples related to sales to customers.

5. For cash receipts related to donations received, we verified that the amounts are supported by agreement, contracts, and/or other documents.

Finding: No exceptions were noted as a result of our procedures on the 6 samples related to donations received.

6. We verified that the selected transactions are properly reflected in the daily revenue report generated from ACTIVENet.

Finding: No exceptions were noted as a result of our procedures.

7. We verified that the Recreation Division reconciled the total daily cash receipts to the daily revenue reports for the days in which the 15 selected transactions occurred.

Finding: No exceptions were noted as a result of our procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the effectiveness of the Recreation Division's internal controls over cash collections. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Mayor, City Council, and management of the City and the Recreation Division and is not intended to be and should not be used by anyone other than these specified parties. This report is a matter of public record and this does not limit the distribution of this report.

Macias Gini & O'Connell LLP

Walnut Creek, California
November 14, 2018

CITY OF MOUNTAIN VIEW

Attachment A

Recreation Department's Documentation of Check and Cash Handling Procedures

Front Desk receives checks from both the Public and Staff. Follow through these procedures for accurate transactions and deposits to our Finance Department.

- All checks received must be made to "City of Mountain View".
- The dollar figure on the check must match the dollar figure written out on the check. If this does not match, please have the customer correct the check.
- All checks must have a signature.
- All checks must have an appropriate date that is no more than 60 days from the current deposit date.

Received an incorrect check in person? Please have the customer fill out a new check or correct the check they provided you. Incorrect checks can be handed back to the customer or shredded upon the customer's request.

Received an incorrect check by mail? Place the check in the safe inside an envelope with the Customer's name, then contact the customer as soon as possible and ask them to come to the Front Desk and write a new check. Incorrect checks can be handed back to the customer or shredded upon the customer's request. **DO NOT PROCESS PAYMENT UNTIL CORRECT CHECK RECEIVED.**

Received an incorrect check(s) by Staff? DO NOT accept or hand back the check and let them know of the error.

➤ **If you notice the error after the fact and the staff member is not available please consult with the Program Assistant, Kristine, or Finance Department for further instructions immediately (same day preferred).**

- All checks must be stamped with Bank of America Stamp once transactions are completed or verified, then immediately placed in our Cash and Check Drawer.

Front Desk receives cash from both the Public and Staff. Follow through these procedures for accurate transactions and deposits to our Finance Department.

- When receiving cash or coins from customers make sure to count the money accurately, and make sure it matches the total charge. **(Mark \$50 bills, \$100 bills, or any bill that looks suspicious with Counterfeit Pen.)**
- 1. If you receive more money than the amount due and have to give change back make sure you use a calculator accurately to determine the change amount.
 - **Tip:** Keep the amount of money you receive in front of them, this will prevent any error or confusion during the next step.
- 2. Place the money you received from them in a safe visible area, for example on top of the cash and check drawer or right on top of coin slots inside the drawer. This step will prevent any customer from claiming they gave you more money than they actually did, it happens rarely but it does happen.
- 3. Grab the correct change and count it accurately, then count it again when handing it to the customer. This will help prevent overpaying or underpaying. If need be, please have a second staff person verify that you are providing the correct change back.
- 4. Count the change back to the customer and place the money you received where it belongs in the cash drawer promptly.

(Repeat steps 2, 3, & 4 when Staff or Public request change.)

- When receiving cash or coins from Staff make sure to count the money accurately to ensure it matches the total on the receipt handed to you. If the total does not match the receipt do NOT accept the money and hand back to staff when you notice the error.
- **If you must make change from our Petty Cash Box, please have a second staff person verify that the amount you are putting into the cash box matches the amount you are taking out.**