

Attachment B



Office of the Auditor-Controller

County of Santa Barbara

One Office. One County. One Future.

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Cash Shortages & Overages Report

To the Honorable Board of Supervisors

County of Santa Barbara, California

The fiscal year (FY) 2021-2022 Cash Shortages & Overages Report for the period of 7/1/2021-6/30/2022 is submitted pursuant to California Government Code Section 29380.1, which notes that the Auditor-Controller will render a written report and give an account to the Board of the cash difference (shortage) fund and the overage fund at the end of each FY.

Cash Shortages & Overages Background

Cash overages and shortages are recorded by departments in the County's Financial Information Network (FIN). Cash shortages and overages primarily result from routine cash handling errors. The Internal Audit (IA) Division of the Office of the Auditor-Controller has compiled the shortages and overages from FIN and included responses from department management for their causes.

Cash Shortages & Overages

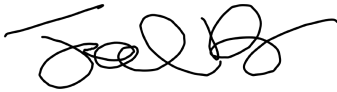
<u>Department</u>	<u>Cash Shortages</u>	<u>Cash Overages</u>
Clerk-Recorder-Assessor	\$97.20	\$5,230.59
Community Services	940.90	1,471.75
General Services	0.88	0.00
Probation	50.00	10.10
Public Health	93.92	136.79
Public Works	83.75	90.50
Sheriff	1.09	2.49
Total	\$1,267.74	\$6,942.22

See the following page for the cause of each cash shortage and cash overage:

- The Clerk-Recorder-Assessor (CRA) Department recorded \$97.20 in cash shortages and \$5,230.59 in cash overages due to errors in transaction processing and cash collection. The department communicated to IA that customers often remit higher fees than are required as many of the CRA services such as recording or vital certificates are urgent in nature for customers. If a service cannot be processed due to a check made out for insufficient funds it becomes a costly and time-consuming burden for the customers to have the CRA reject the service, return their check to them, and have them resubmit a new check for the appropriate amount. The CRA Department follows California Government Code Section 29375.1 which notes that when an amount paid to any County office exceeds the amount due to the County, and such excess does not exceed ten dollars, the office may deposit the excess in the overage fund within the County Treasury.
- The Parks Division of the Community Services Department recorded cash shortages of \$940.90 and cash overages of \$1,471.75 primarily due to errors in transaction processing. A \$375 subset of the cash overages were due to data entry errors in FIN that were not corrected, and do not represent actual cash overages.
- The General Services Department recorded cash shortages of \$0.88 due to an error in calculating petty cash change.
- The Probation Department recorded cash shortages of \$50.00 and cash overages of \$10.10 due to errors in transaction processing and cash collection.
- The Public Health Department recorded cash shortages of \$93.92 and cash overages of \$136.79 due to errors in transaction processing, cash collection, and bank deposits.
- The Public Works Department recorded shortages of \$83.75 and overages of \$90.50 due to errors in transaction processing and receipt of counterfeit bills.
- The Sheriff's Office recorded cash shortages of \$1.09 and cash overages of \$2.49. The cash overages were due to employee's declining change, cash shortages were due to an error in transaction processing. A \$1 subset of the cash shortage is due to data entry errors in FIN that were not corrected, and do not represent an actual cash shortage.

Cash Shortages & Overages Variance from Previous FY

	Cash Shortages*	Cash Overages*
	FY 2021-22 to FY 2020-21	FY 2021-22 to FY 2020-21
<u>Department</u>	<u>Increase or (-Decrease)</u>	<u>Increase or (-Decrease)</u>
Behavioral Wellness	-80.00	0.00
Clerk-Recorder-Assessor	-115.80	-598.26
Community Services	-592.10	-335.70
General Services	0.88	0.00
Probation	30.00	10.10
Public Health	-97.18	-83.23
Public Works	83.75	90.50
Sheriff	-796.35	1.06
Total	-\$1,566.80	-\$915.53
*when comparing routine cash shortages and overages.		



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Internal Audit Division Chief