

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

The fiscal year (FY) 2022-2023 Cash Shortages & Overages Report for the period of 7/1/2022-6/30/2023 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 Supervisors 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 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. All cash shortages and overages in this report are displayed net of their respective debits and credits for the year.

Cash Shortages & Overages

<u>Department</u>	<u>Cash Shortages</u>	<u>Cash Overages</u>
Clerk-Recorder-Assessor	\$20.00	\$2,435.24
Community Services	1,582.36	1,160.86
Probation	0.00	5.00
Public Health	25.82	61.55
Public Works	20.00	118.80
Sheriff	221.28	0.00
Total	\$1,869.46	\$3,781.45

Please see the following page for the cause of each cash shortage and cash overage with explanations provided in part by department management.

- The Clerk-Recorder-Assessor Department recorded \$20.00 in cash shortages due to a counterfeit \$20 bill accepted at the Santa Maria office and \$2,435.24 in cash overages due to many customers submitting recordings with overpayments by mail. To account for extra page fees, customers may choose to overpay by a few dollars rather than risk a recording be rejected for insufficient payment. Of the 14 recorded cash shortages and overages, 12 of them were greater than \$50.00 as the department typically posts all cash shortages and overages collected for a given month at month end.
- The Parks Division of the Community Services Department recorded cash shortages of \$1,582.36 and cash overages of \$1,160.86 primarily due to errors in cash collection. Of the 171 recorded cash shortages and overages, six of them were greater than \$50.00, with four cash overages totaling \$420.00 and two cash shortages totaling \$201.00.
- The Probation Department recorded cash overages of \$5.00 due to errors in cash collection. The funds were found in the safe at the Lompoc office along with a Cash Register Audit Overage/Shortage Report from a prior date and were immediately deposited into the General Fund.
- The Public Health Department recorded cash shortages of \$25.82 and cash overages of \$61.55 due to errors in transaction processing, cash collection, and bank deposits. The shortages occurred across five locations and the overages occurred across seven locations.
- The Public Works Department recorded shortages of \$20.00 and overages of \$118.80 due to errors in transaction processing. The shortages occurred over six separate transactions; whereby, a staff member gave change in excess of the amount due. The overages occurred over 13 separate transactions; whereby, in most cases a customer was either not given change or a check was written by a customer that exceeded the total amount due. None of the individual shortage or overages were significant.
- The Sheriff's Office recorded cash shortages of \$221.28. The cash shortage was due to \$200 in counterfeit bills being mistakenly accepted by staff. The Sheriff's Office has acknowledged that they will use a counterfeit detector pen when receiving cash from inmates. Additional shortages of \$21.28 were due to errors in transaction processing between the Santa Maria Civil Office and Santa Barbara Civil Office.

Cash Shortages & Overages Variance from Previous FY

	Cash Shortages	Cash Overages
	FY 21-22 to 22-23	FY 21-22 to 22-23
<u>Department</u>	<u>Increase or (-Decrease)</u>	<u>Increase or (-Decrease)</u>
Clerk-Recorder-Assessor	-77.20	-2,795.35
Community Services	641.46	-310.89
General Services	-0.88	0.00
Probation	-50.00	-5.10
Public Health	-68.10	-75.24
Public Works	-63.75	28.30
Sheriff	220.19	-2.49
Total	\$601.72	-\$3,160.77