



Robert E. Antonacci II, CPA
Comptroller

COUNTY OF ONONDAGA

*Office of the
County Comptroller*

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Deputy Comptroller

July 29, 2008

Joyce M. Latham, Executive Director
Onondaga County Public Library
447 South Salina Street
Syracuse, New York 13202-2494

Dear Ms. Latham,

Audits of the Library's low cost purchases and change funds were performed on July 11, 14, 15 and 18, 2008. We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the recorded fund balance and the related expenditures are free of material misstatement. This recorded fund balance and the related expenditures are the responsibility of the department's management. Our responsibility is to express an opinion on these amounts based on our audit. An audit includes examining, on a test basis, evidence supporting the fund amount and expenditures. We believe that our audit provides a reasonable basis for our opinion.

A review of the department's petty cash funds indicates that the funds are not in balance against the amounts of the County's Financial Accounting Management Information System (FAMIS). The following findings were noted during the audit and are presented below with recommendations for correction.

Main Office Cash Fund

- 1) This petty cash account is combined with the petty cash checking account on FAMIS under one subsidiary, 651000. The amount listed under this subsidiary is \$1,500.00. The checking account is for \$1,300.00 and the cash account has \$350.00. The account is understated by \$150.00. **This is a recurring finding.**

It is recommended that OCPL contact the Chief Governmental Accountant to create a new subsidiary so the checking account and the cash account can be listed separately because the accounts are used for separate items and have separate vendor numbers as well. This will also ensure the two accounts are properly reported on FAMIS.

- 2) The Petty Cash Guidelines state that a department is to replenish the petty cash fund when the fund is approximately 75% depleted or every three months, whichever occurs sooner. This way the department will not be without funds while a claim is being processed, and the expenditures will be properly recorded on the county's books in a timely fashion. CL196670 paid on 11/30/07 and CL196671 paid on 1/15/08 were both over 75%.

It is recommended that the department replenish the petty cash fund in accordance with the County's Petty Cash Guidelines.

Main Office Checking Account

- 3) Upon reviewing the reconciliation done by the Account Clerk II, it was noted that check number 8330 for \$110.00 paid petty cash requisition number 03514. This check has been cashed but the requisition has not been included on a claim for reimbursement because an original invoice has not been received. The requisition and check are dated June 23, 2006. **This is a recurring finding.**

It is recommended OCPL staff contact the vendor and request an invoice so this purchase may be included on a claim for reimbursement as soon as possible.

If efforts to obtain an original invoice are unsuccessful, the department should still include the \$110.00 in a claim for reimbursement in order to bring the book balance closer to the actual balance of the account.

- 4) Check number 8152 for \$57.50 was written to pay petty cash requisition number 03078. The check is dated July 15, 2005. The materials for which the check was written have not been received and the check has not been cashed. However, this check continues to be reflected in the book balance of the account. **This is a recurring finding.**

Check 8152 should be voided and reversed out so it is no longer reflected in the book balance of the account. It is recommended a policy be developed to correct this type of prolonged item.

- 5) 12 checks totaling \$627.79 claimed for reimbursement but not cashed are listed on the January 31, 2008 reconciliation. Some of these checks date back as far as 2002. Since these checks have been included in claims for reimbursement, the bank balance has been over \$1,300, which is the approved amount for this account. The bank balance as of 12/31/07 was \$1,649.44. **This is a recurring finding.**

Policies should be in place to prevent the account from being over its approved amount. When checks become stale dated the vendor should be contacted to determine if a new check should be written. Checks should not continue to be carried on as outstanding checks indefinitely.

- 6) The last reconciliation done for the checking account was done for January 2008. Petty cash guidelines require the account to be reconciled on a monthly basis. The person that was

doing the reconciliations for this account left the department and no one has resumed that responsibility.

Someone in the department should be given the responsibility of preparing the reconciliations for this account. The checking account should be reconciled on a monthly basis in accordance with petty cash guidelines.

Change Funds

- 7) A count of the change funds at the business office, central library and all branch libraries revealed \$890.00 in change fund money. FAMIS lists the libraries as having \$895.00.

Someone in library business office should contact the Chief Governmental Accountant and reduce the amount on FAMIS to \$890.

- 8) Counts of the petty cash change funds at Local History as well as Petit and White branch libraries revealed the amounts to be slightly over the authorized amount.

It is recommended any overages be included with the next deposit to bring the accounts back to their authorized amounts.

- 9) The Comptroller's Office did not have an up to date Designation of Petty Cash Custodian Form signed and filed out for Beauchamp, Betts, Hazard, Mundy and Paine branch libraries. A form was given to each of these branch libraries to be completed.

It is recommended the Designation of Petty Cash Custodian forms be completed and sent to the Comptroller's Office.

- 10) A count of the change fund at Beauchamp also revealed a slight overage. However, while this money was in the register, it was separated from the rest of the register money. The Library Clerk II stated this money is money found in the library or overages from previous days' transactions. The Clerk said it is included in future deposits after being put through the register as a transaction even though no transaction will have occurred.

Any daily overages or money found in the library should be included in that day's deposit. The amounts should be noted as such on the deposit slip, which is sent to the main office. The practice of entering false transactions in order to eliminate overages should be stopped.

- 11) In discussions with the Library Clerk II who witnessed the count at Mundy Branch, the Clerk mentioned deposits might only be done every other week because so little money is taken in. Per the memo from the Chief Fiscal Officer dated 11/1/04, "Amounts up to \$250 can be held for a maximum of one week by the department in a secure, locked desk or cabinet and accumulated for deposit."

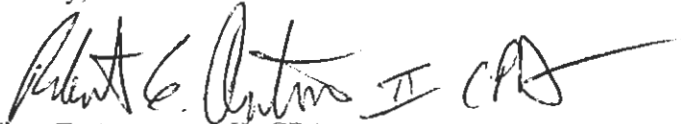
It is recommended the branch deposit money in accordance with county policy.

12) A count of the change fund at Hazard Branch revealed an overage of \$8.28. This money was underneath the drawer but still inside the cash register. The Library Clerk II stated this money is from selling books that are donated to the library and the library cannot use. The Clerk said it is deposited approximately twice a year and will be likely be included in the deposits after the fall book sale. No receipts were available to verify the money taken in from book sales. Additionally, holding on to money for this long does not comply with county deposit procedures mentioned earlier.

It is recommended that money taken in from the sale of books be deposited in the same manner that register money is deposited. Receipts should be written for the sale of books so they can be tied out to the money in the register.

In summary, the department needs to take action to ensure FAMIS accurately reflects the amount of the department's petty cash accounts. Except as noted above, your department procedures comply with generally accepted accounting standards. The department should follow the recommendations above to ensure that the department is adhering to all county policies.

Sincerely,

A handwritten signature in black ink that reads "Robert E. Antonacci II CPA". The signature is written in a cursive style with a long horizontal line extending to the right.

Robert E. Antonacci II, CPA

Cc: Hon. Joanne M. Mahoney, County Executive
Ann Rooney, Administrator for Human Services