

Salt Lake County Auditor's Office
Craig B. Sorensen, *AUDITOR*



April 24, 2002

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Chief Deputy

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Dear Stuart:

We have reviewed your proposed standard operating procedures for cash handling of payments-on-account at the landfill. The procedures appear to be well thought out. We would like to make a few suggestions to the procedures. These suggestions are as follows:

- 1) In Functions B, step 8, b, a copy of the Financial Activity Report (FAR) is attached to a copy of the fund transfer receipt and returned to person A. We suggest person A review the FAR to ensure that all checks receipted were posted to their accounts. This is in addition to verifying totals at the end of the month.
- 2) In both the Daily Cash Receiving section and in the Receiving Other Revenue section, checks are not being restrictively endorsed upon receipt. Countywide Policy 1062, section 3.6.1 states, "*All checks should be restrictively endorsed immediately upon receipt using the agency's approved endorsement stamp.*" Thus, person A should restrictively endorse the checks as they are receipted.
- 3) Under Function A-Receiving Other Revenue Payments, checks are to be collected and deposited at least once a month. Countywide Policy 1062, section 3.7.1 states, "*As required by Section 51-4-2, Utah Code Annotated, all public funds shall be deposited daily whenever practicable but not later than three days after receipt.*" These funds should be deposited no later than three days after receipt.

We feel that with these additions your division policies are consistent with sound cash management practices. Thank you for allowing us to comment on your new procedures. If you have any questions or comments, please contact Kaylene Eldridge at 468-3787.

Sincerely,

James Wightman, CPA
Director, Internal Audit