

Audit Committee

CLARK COUNTY, NEVADA

Michael Naft
Chair
William McCurdy II
Ross Miller

CALL TO ORDER

The public meeting of the Clark County Audit Committee was called to order by Commissioner Naft on Wednesday, January 25, 2023, at 9:30am in the Pueblo Room, Clark County Government Center, 500 South Grand Central Parkway, 1st floor, Las Vegas, Nevada. This public meeting was properly noticed and posted.

COMMISSIONERS PRESENT:

Michael Naft, Chair
William McCurdy II
Ross Miller

ALSO PRESENT:

Angela Darragh, Audit Director
Cynthia Birney, Manager, Audit/HIPAA
Felix Luna, Principal Auditor
Kevin Schiller, County Manager
Les Lee Shell, Deputy County Manager
Abigail Frierson, Deputy County Manager
Anna Danchik, Comptroller
Lisa Logsdon, County Counsel
Jeff Share, Director, Budget & Finance
Danilo Chavarria, Manager, DJJS
Eboni Washington, Deputy Director, DJJS
Patrick Almeida, Manager, Parks and Recreation
Rita Reid, Public Administrator

1. **Approval of Minutes**

It was moved by Commissioner Naft and carried unanimously that the minutes of July 27, 2022, meeting be approved.

2. **Approval of Agenda**

It was moved by Commissioner Naft and carried unanimously that the January 25, 2023, agenda be approved.

3. **Receive and discuss CY 2023 Report – FY22 Imprest and Petty Cash Review**

Nevada Revised Statute 354 provides for the Board of County Commissioners to establish petty cash accounts, imprest accounts, and revolving accounts to assist in the administration of government activities.

Clark County has approximately \$1.6 million in the custody of other officials for petty cash, imprest accounts and change accounts as of June 30, 2022.

The purpose of the audit was to verify whether balances agreed with the Board for approved amounts and are reconciled monthly as required in accordance with Fiscal Directive 16 and to verify that departmental policies adhere to Fiscal Directive 16 and Board Resolution requirements.

Overall, the balances of the various imprest checking accounts, petty cash accounts and revolving change bank held by County departments agreed with the Board approved resolution amounts.

There were three low risk findings:

- Some of the Public Administrator's office petty cash reconciliations and replenishments were not timely. The office did not reconcile the fund for March, May or June 2022 and there was a reimbursement request for an item purchased in December 2021 that was not submitted until March 2022.

The Public Administrator's office resolved this finding and advised staff to insure replenishments are submitted in a timely manner and the accounts reconciled monthly.

- A portion of the change bank at the Club Sunrise Golf Course was used as a petty cash fund. The Sunrise Golf Course has \$2500 revolving change bank used to provide change to golf course patrons. A portion of this fund was used as a petty cash fund by the third-party golf course management company. Audit recommended that the department amend their resolution and assess the cash needs at the golf course and on January 3, 2023, the department of Parks and Recreation petitioned the Board of County Commissioners (BCC) for a resolution to reduce the balance of the change bank to \$1400 and another resolution to create the petty cash fund for \$1100.

Both resolutions were approved by the BCC so this finding is considered resolved.

- Some departments of Juvenile Justice' petty cash fund replenishments were not timely and the balance of the fund was off.
 - The department was using SAP to enter cash postings and it was difficult for them to reconcile the cash on hand.
 - There was a cash overage of approximately \$20.
 - Petty cash purchases where the replenishment requests were not timely (between 132-211 days from the expenditure date).

Audit recommended the following:

- SAP cash/receipting training to new staff.
- Review all saved but unposted cash journal entries.

- Reconcile petty cash on hand; finalize the overage and remind staff to record petty cash reimbursements in a timely manner and to include the Board approved amount in the reconciliations template as an additional reconciling file.

The department of Juvenile Justice decided to make changes to the handling of the reconciliations. Petty Cash training will be provided to all new staff and petty cash balances will be reviewed and will include an additional \$500 reconciliation line.

Eboni Washington, Deputy Director JJS, reported that recommendations were implemented.

The reports were approved by the Audit Committee.

4. **Receive and discuss CY2023 Audit Plan Summary**

Audits completed in 2022

Annual Art Plan Review

Laughlin Constable Follow Up

Recorder Follow Up

Election Mail in Balloting Part 1

Family Services P Card and Gift Cards

2021 Imprest and Petty Cash

2022 Crowe LLP Assistance

2022 Crowe Single Audit Assistance for FY 2021 and 2022 (requested due to an issue in Social Services with the Chap funding)

Audits in Progress

Social Services Financial Assistance/ACES

2022 Imprest and Petty Cash Account Review (just completed)

Countywide Compliance with FD6

Election Department Mail in Balloting Part 2

24-Hour Vehicle

Animal Foundation

The Animal Foundation audit, 24-hour vehicle audit and Election audit were not in the Audit Plan but were added as a special request.

2023 Planned New Audits

Countywide Purchasing Card

Parks and Recreation Wetlands Park Gift Shop

Public Administrator Operations

Parks and Recreation Shooting Complex Operations and Cash Controls

2023 Required / Annual Audits

Annual External Audit Assistance

Annual Imprest and Petty Cash Account Review

Annual 24-Hour Vehicle Review (depending on the result of the 24-hour vehicle review)

2023 Planned Follow Up Audits

ComC

Restitution

Election Application

Family Services P-Card

2023 Other Activities

Health Insurance Portability and Accountability Act (HIPAA) Compliance and Investigations

Biannual Risk Assessment

The process for development of the audit plan:

About every two years, a risk assessment is done in the form of a questionnaire or an in-person meeting with the department to discuss significant changes including staffing changes, implementation of a new system or legislative changes or other risks that could potentially impact the department. This information is collected and prioritized based on the risk to create the annual audit plan.

The plan is presented to the Audit Committee and the Financial Oversight Committee for additional recommendations and suggestions. Also, throughout the year, if an issue is identified, that audit is added to the plan. The audit schedule can be adjusted to accommodate these requests.

The 2023 Audit Plan was approved by the Audit Committee.

There were no comments from the general public.

There being no further business, the meeting was adjourned at 9:45 am.