



## SALT LAKE COUNTY AUDITOR'S OFFICE

**JEFF HATCH**  
*Auditor*

October 22, 2007

Jim Cooper, Director  
Whitmore Library  
2197 East Fort Union Blvd.  
Salt Lake City, UT 84121-3139

Re: Whitmore Library Audit

Dear Jim:

We completed an audit of cash handling operations, capital and controlled assets and purchasing cards at the Whitmore Library (Library). Our audit included the analysis of data from the Horizon on-line library management system. To initiate our work, we performed an unannounced count of all collections and imprest funds onsite. On the day of the count, we examined all change funds including those in cash registers, copiers, Lynx money card machines and microfiche printers.

The lead auditor was James Fire with assistance from Jenae Christensen. Larry Decker had administrative oversight of the audit.

### **Cash Handling and Depositing**

The Library has two cashier stations, two-coin operated copiers, a Lynx card machine, a coin-operated microfiche printer, and an Alta Reading Room fund. Our counts of cash registers #1 and #2 balanced. The coin operated copiers #1 and #2 were short \$.75 and over \$.30, respectively. The Lynx card machine and coin-operated microfiche printer balanced. The Lynx machine places credit on a card that patrons then use to print copies on the Library printers.

We examined deposits for timeliness, composition, accuracy, and approval signatures for waivers, voids and refunds. The deposit is prepared by the Circulation Supervisor and an assistant. It is then hand delivered to the Purchasing Coordinator who locks it in a safe overnight. The next morning an armored car service retrieves and delivers the deposits to the bank.

Our findings in this area are as follows:

- **The Library has not completed paperwork to update changes in its imprest funds.**
- **Deposits occurred outside of the State-mandated period of no later than three days following collection.**
- **Void slips were not signed by a supervisor to indicate review and approval.**
- **Waiver forms used were out of numerical sequence, missing, not pre-numbered, or were missing necessary signatures.**
- **Deposit totals did not match fine and fee payments entered into the computerized Library management system.**

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**The Library has not completed paperwork to update changes in its imprest funds.**

Auditor's Office records listed an authorized change fund of \$265.35. However, we found a difference of \$17.50 between the authorized amount and Library records of what was deemed to be the authorized amount. Library records listed a change fund of \$247.85 distributed as follows:

Cash register #1	\$115.60
Cash register #2	\$ 53.65
Copy machine #1	\$ 34.30
Copy machine #2	\$ 34.30
Alta Reading Room	<u>\$ 10.00</u> (missing from safe)
Total	\$247.85

The difference is \$17.50 (\$265.35 - \$247.85). The Library Accountant also reported that the \$10 Alta Reading Room change fund normally kept in the Library's safe was missing. Therefore, combining the \$17.50 difference with the \$10 in missing funds, will require the Library to request an additional \$27.50 to bring its change fund total in line with Auditor's Office records.

The Circulation Supervisor and the Library Accountant both commented that the \$17.50 difference could be due to a dollar change machine that was removed from service several years earlier, but neither could recall the exact timeframe. A search for documentation by the Auditor's Office Accounts Payable Accounting Specialist, who maintains change fund accounts, found nothing to substantiate its removal. Our search of the County's accounting system back to 2000 did not reveal any deposit into the Whitmore change fund account.

Also, the current Fund Custodian is different from the Custodian of record, the previous Library Manager. The current Library Manager has been in his position since August 2005, without written notification to the Auditor's Office to designate a new custodian.

Updating change fund records is required by Countywide Policy. It strengthens accountability and personal responsibility for the management of funds and is necessary to provide authoritative enforcement. Countywide Policy #1203, "Petty Cash and Other Imprest Funds," Section 3.9, states, "*Any unaccounted-for funds (shortages) shall be investigated immediately. The custodian, after appropriate investigation, may be required to personally replenish the shortage, depending on the circumstances...Any shortages not resolved immediately shall be explained in a letter to the Mayor.*" Further in Section 4.1, "*Designating a custodian, and any subsequent changes of custodians, shall be processed by completing the MPF form 2 from Countywide Policy 1062.*" An example of MPF Form 2 is provided in Attachment A.

The Library Accountant conducted a search for documentation and provided us a copy of MPF Form 2, dated November 20, 2006. It was a request for funds to replenish the shortage. However, the last page with the notarized approval signature was missing, which resulted in the form not being processed by the Auditor's Office. Also, a change fund in a whole dollar amount would be easier to manage and should be requested from the Auditor's Office.

#### **RECOMMENDATIONS:**

- 1. Report the \$27.50 change fund shortage in a letter to the Mayor and replenish the fund to the authorized amount.***
- 2. Establish the change fund at a whole dollar amount without miscellaneous cents being included.***
- 3. Submit the MPF Form 2 to the Auditor's Office to update the designation of the current custodian.***

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**Deposits occurred outside of the State-mandated period of no later than three days following collection.** One of our main objectives was to determine timeliness, an objective we accomplished by examining a random sample of 39 deposits, out of 249, from August 1, 2006 through July 31, 2007. We found that 5 of 39 deposits examined, or 13%, were made four or more days after receipt, as shown in Table 1 on page 4. Countywide Policy #1062, "Management of Public Funds," Section 3.7.2 states, "*As required by Section 51-4-2, Utah Code Annotated, all public funds shall be deposited daily whenever practicable but no later than three days after receipt.*"

Timeliness of Deposits		
Days from date of earliest receipt	Number of deposit occurrences	Percentage
5 days	1	2.56%
4 days	4	10.26%
3 days	10	25.64%
2 days	23	58.97%
1 day	1	2.56%
Same day	0	0.00%
Total Sample	39	100.00%

**Table 1.** *Nearly 13% of deposits were made after the time period mandated in Countywide Policy.*

Undeposited funds are not as secure as they would be in the bank, and they lose interest that would otherwise accrue from investments made by the County Treasurer. For the period of our examination, cash and checks averaged \$588 each day. The average deposit, including credit cards, was \$860 each day, the largest was \$1,193. Thus, the volume of transactions warrants daily preparation of deposits and delivery to the bank.

Deposits were delinquent due to staff time restraints and conflicting priorities. Staff members get focused on other duties and run out of time to prepare the deposit. The Library is open until 9:00 Monday through Thursday, and until 6:00 Friday and Saturday, after most banks are closed. Therefore, at least one day's delay occurs before the deposit is made, and Friday's deposit will not be made until Monday. Nevertheless, we found one deposit made five days after collections were received. Another four deposits were made four days later. However, we recognize that the Library's late closing time presents a challenge in making deposits within the required time limit. We compliment Library staff for their efforts in meeting this requirement. Library staff should continue to prioritize their time to ensure that deposits are made daily but no longer than three days after receipt of collections.

**RECOMMENDATION:**

*Whitmore Library should prepare a deposit and deliver it to the bank each day where practicable.*

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**Void slips were not signed by a supervisor to indicate review and approval.** In our examination, we found 25 void slips that were not signed by a supervisor. We commend the Library for using void slips as a way to alert management to the reversal of cash transactions to help prevent the embezzlement of funds. However, just as void slips can prevent embezzlement,

they can also hide the occurrence of theft if they are not reviewed by a second party, generally the supervisor. A written explanation and supervisor's signature, as well as the cashier's signature, should be found on each void slip to provide assurance that the reversal of the transaction was legitimate.

Policy #1062, Section 3.5.2.2, states, "*The cashier who initiated the void will document on the front of the voided receipt the cause of the voided transaction and its resolution.*" Library personnel should ensure that Countywide policy is followed by explaining each void in writing and requiring the review and signature of a supervisor.

**RECOMMENDATION:**

*Provide a written explanation on all voided receipts and require both the cashier and a second employee, usually the supervisor, to sign the void as evidence of review and approval.*

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**Waiver forms used were out of numerical sequence, missing, not pre-numbered, or were missing necessary signatures.** A patron can challenge fees and receive a waiver for various reasons noted on the "Fine and Fee Waiver Form." The form has signature lines for the patron, staff authorization and supervisor approval. Properly completed forms provide a control mechanism whereby more than one staff member reviews the transaction.

Using the forms in numerical sequence is also a control mechanism. It identifies if any forms are missing, how many are used, and by whom. It also serves as a confirmation tool between the cash register and Horizon-generated report data. Incomplete forms could be used to circumvent the recording of cash transactions in the cash registers and lead to theft of funds. Within the sample, two forms were found that did not have a preprinted number and nine forms were missing from the numerical sequence.

The numbered forms originate from Library Administration and are replenished when requested. According to the Circulation Manager, only authorized staff can access the forms. Since forms are stored in a drawer near the cash register, they can become shuffled. This could explain problems with numerical sequencing and missing forms. The forms with missing numbers could not be explained.

**RECOMMENDATION:**

*Staff authorized to complete waiver forms should be better trained in maintaining and accounting for numerical sequence.*

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**Deposit totals did not match fine and fee payments entered into the computerized “Horizon” library management system.** Two off-line cash registers are used to record and receipt transactions, and money collected from patrons is placed in cash register drawers. Cash register-generated Z-tapes are used to prepare daily balance sheets. As a second step in the fee collection process, transactions are separately recorded and updated in the Horizon system. Horizon is used to manage all accounts receivable and inventories of books, including check-in and check-out and is independent of the off-line cash registers. This dual recording of transactions inherently creates reconciliation problems between the two systems.

The Library Systems Manager provided us with a file of 120,398 Whitmore-specific records from August 1, 2006 to July 31, 2007. Each record represented a transaction and included activity type, payment amounts and dates. The Horizon data contained many types of transactions including fine and fee waivers. However, sales of books, copier fees, Lynx cards and payments were not recorded in the system.

We isolated data to Fines and Lost/Damaged fees only. We then analyzed this data in an effort to connect cash payment activity from cash registers to the Horizon library system and found variances between the two systems of as much as 21 percent on a monthly basis. Totals came within .06 percent of one another in October 2006, and for the year differed by 3.86 percent. Our comparison of the data to actual deposits is shown in Table 2 below.

<b>Variations by Month</b>					
Month	Number of Deposits	Cash Register of Fines, Lost/ Damaged	Horizon Data of Fines, Lost/Damaged	Variance	%
Aug 2006	23	\$15,056	\$15,248	\$193	1.28%
Sep 2006	20	\$13,854	\$13,815	-\$39	(.28%)
Oct 2006	22	\$13,117	\$13,125	\$8	.06%
Nov 2006	19	\$12,399	\$12,672	\$273	2.20%
Dec 2006	20	\$11,813	\$13,109	\$1,296	10.97%
Jan 2007	21	\$16,585	\$16,954	\$369	2.22%
Feb 2007	19	\$13,262	\$13,772	\$510	3.85%
Mar 2007	22	\$15,016	\$15,057	\$41	.27%
Apr 2007	21	\$14,086	\$17,071	\$2,985	21.19%
May 2007	22	\$13,336	\$13,662	\$326	2.44%
Jun 2007	21	\$13,181	\$13,866	\$685	5.20%
Jul 2007	19	\$12,672	\$12,376	-\$296	(2.34%)
Total	249	\$164,377	\$170,727	\$6,351	3.86%

**Table 2.** Variations between deposit activity (cash register) and Horizon data for fines, lost/damaged fees collected showed that more collections were recorded in Horizon than in cash registers.

Differences between Horizon and cash register data were greater than \$100 in 9 of the 12 months shown in Table 2. They were greater than \$1,000 in two of these months. Library administrators were unable to provide any explanation. However, failure to correctly record payments to both the cash register and Horizon system were likely contributing factors. For example, a patron may negotiate with Library staff to pay only half of the fine due. The actual payment would be recorded in the register system. However, to save time, the Librarian may enter the entire accounts receivable reduction in Horizon as a payment, instead of allocating half to payment and the other half to a fine waiver.

Also, fines and fees are assessed at the location where materials are checked out. However, patrons may actually pay their fines at another library. The payment data we received was coded specifically to Whitmore. However, if payments from other libraries had been included in our data set, even though it was encoded as "Whitmore," deposit differences could further be explained.

Library administrators are aware of discrepancies between the two systems, as noted in a memo dated August 17, 2006, from the Library Accountant. It stated, in part, "Per this report, 38% of the time more money is reported collected in Horizon than in the cash registers, 30% of the time they are equal and 32% of the time more money is reported in the cash registers than in Horizon." Our own analysis showed that most differences were due to greater collections being reported in Horizon than the cash register.

For many years, our audit reports have recommended that the cashiering and library management functions be integrated into one system to eliminate the dual entering of data. In 2007, this came closer to reality as bids were let for a vendor to provide such a system. The Library Fiscal Manager reported to us that a contract for integrated system software from a company called Comprise Technology had been awarded and was in the final approval stage. When it is approved, implementation is expected to be complete by March 2008. This is a vital step towards better reporting, stronger controls and meaningful analysis.

#### **RECOMMENDATIONS:**

- 1. The Library System should proceed with implementation of its anticipated software for integrating library management and cashiering functions.*
  - 2. While the two independent systems, Horizon and off-line cash registers continue to be used, librarians should be reminded to accurately enter data into both systems.*
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### **Credit/Debit Card Receipting**

The library accepts credit and debit cards for payment of fines, late fees, lost/damaged items, equipment or supplies and book sales. For the period of our review, credit card payments were \$67,080.

Credit card processing is handled through a stand-alone credit card machine. The card is swiped and the dollar amount is manually entered by the cashier. Two receipts are printed, a merchant copy and the patron copy.

A merchant copy is imprinted with the complete credit card number, expiration date, authorization number and amount. Settlement statements are reconciled with the daily deposit packets and are securely stored in a locking cabinet. Access to the stored merchant copies is restricted to authorized staff only.

The patron copy is imprinted with only the last 4-digits of the credit card number. The patron will sign the merchant copy and keep their copy. Cashier staff stated that they do not record credit card information anywhere in the Horizon library system or in any other manner. In our deposit sample, we found one instance where a \$19 credit card transaction was not entered into the cash register. Otherwise, credit card transactions balanced to the cash register Z-tape totals. We commend the Library for their diligence in keeping credit card information secure and not maintaining files of complete credit numbers.

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### **Capital and Controlled Assets**

We reviewed capital and controlled assets assigned to the Whitmore Library. We did not review any assets listed within Library Administration, even though they share the same location as the Whitmore branch. We had the following finding in this area:

- **Form PM-2s were not on file for some controlled assets we were unable to locate.**

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**Form PM-2s were not on file for some controlled assets we were unable to locate.** Our sample size was 87 out of 175 items. Most items we reviewed were tagged and easily located on the inventory list. A leased coin-operated copier was observed with a different serial number. It had been replaced and the serial number was not updated on the inventory list.

We could not find 9 items from the controlled assets list and no Form PM-2 was on file to indicate their removal from Library premises. They were reported as transferred to the Library warehouse for redistribution or surplus. According to the Auditor's Office Capital Asset Accountant, the Library accumulates controlled assets in its own storage facility. Form PM-2s

are completed when items are transferred from the storage facility to other libraries or to the County's surplus warehouse.

The process for Library controlled assets follows this sequence when transferred to other libraries or to County Surplus:

1. The Library Manager will email facilities requesting them to remove a controlled asset from their library.
2. Facilities will pick up the controlled asset and take it to a secure library warehouse.
3. When the item is transferred to another library or to County Surplus, a Form PM-2 is generated.
4. The Form PM-2 is processed by the Auditor's Office to update the controlled assets list.

The weakness of this process occurs while it is at the Library's storage facility, between the facility's pick up and the generation of a Form PM-2. An audit trail indicating a controlled asset has been removed from a library and placed in library storage is unclear. This leaves the controlled asset at risk to theft or conversion for personal use.

After we discussed this weakness with the Fiscal Manager, he subsequently addressed it with a fundamental change. Library Managers were directed to provide a copy of the facility email request to the Library Accountant, who will then note the transfer on the controlled asset schedules. This will provide an initial audit trail for the controlled asset transfer to the library storage facility. When the item is transferred out of storage, a Form PM-2 will complete the trail to another library or to County Surplus.

#### **RECOMMENDATIONS:**

1. *Emails be kept on file directing transfer of controlled assets to the library surplus warehouse.*
2. *Emails directing transfer of assets be matched with Form PM-2s once these are completed.*

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#### **Purchasing Cards**

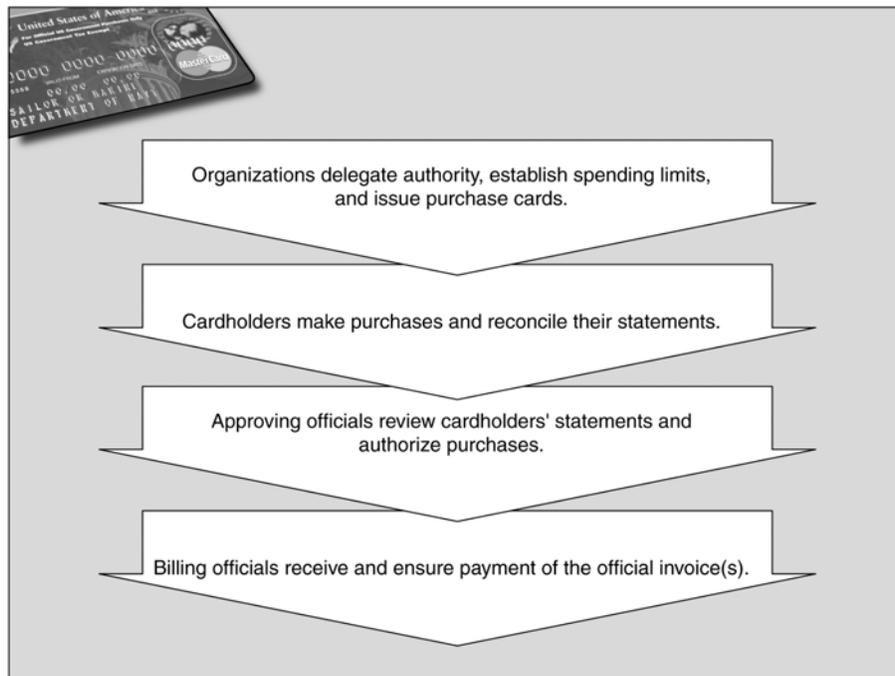
Salt Lake County approved the use of VISA purchasing cards at the end of 2000. The introduction to the 2000 version of Countywide Policy #7035, "Purchasing Cards," states, "*it is established to provide a more efficient, cost-effective method of purchasing and payment for small-dollar transactions. The program is designed to replace a variety of processes including*

*petty cash, local check writing, low-value authorizations, small dollar purchase orders and small cost blanket orders.”*

Our purchasing card review included the following aspects:

- Maximum dollar limits for a single purchase
- Maximum credit limit per monthly statement cycle
- Restrictions for type of purchase or merchants
- Payment of sales tax
- 1099 Services
- Travel and meals
- Cash Advances
- Split purchases
- Gift cards
- Online auctions
- Original receipt
- Monthly purchasing log with signature
- Monthly reconciliation approval signatures

Effective controls provide fraud detection and deterrence. Figure 1 below is from the Government Accounting Office Audit guide which outlines the basic procedures for a government purchasing card program. Basic controls include separation of duties for purchases by authorized personnel, review, approval of purchases, and payments.



Source: U.S. Department of the Treasury, Financial Management Service.

**Figure 1.** *Basic Procedures for Purchasing Card Programs as outlined by the GAO.*

We requested a list of Library cardholders from Contracts and Procurement. A report was provided listing 16 cardholders, 14 that had a \$3,000 limit and 2 with a \$10,000 limit. We chose to review transactions for the 2 highest limits.

Our review of the two purchasing cards led to the following findings:

- **Non-detailed receipts were attached to the Purchasing Log, with no information regarding items purchased.**
- **Internal procedures were not in place for tracking gift card purchases made with purchasing cards.**
- **Two Library employees had purchasing cards with limits of \$10,000 each. However, actual use of the cards was far short of the limit.**

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**Non-detailed receipts were attached to the Purchasing Log, with no information regarding items purchased.** Cardholders are responsible for collecting and saving all sales receipts. Procedures require the cardholder to obtain receipts that sufficiently indicate the date of purchase, cost and description of the merchandise or service. Out of our sample of 70 items we found 6 that did not provide adequate documentation for the purchases. All of these were made by phone or via the internet. The absence of adequate documentation hinders the control process to properly verify, authorize and record purchase transactions.

Policy #7035, Section 6.4 states, *“The purchasing log must be completed monthly including signatures. The signed log, monthly bank statements and original receipts will be reviewed by the Fiscal Manager and supervisor. The Fiscal Manager will forward the log to the Program Administrator.”*

When a purchase is charged to a card, there are usually two receipts provided—the credit card receipt showing the amount charged, and the cash register receipt that itemizes goods and services purchased. While the non-detailed receipt indicates that a purchase has been made, it does not identify what was purchased or if any tax was charged. Even with a description of the item appearing in the Purchasing Log, verification of the item purchased is lacking. Internet or phone purchases can pose a problem to meeting requirements of Countywide Policy. However, when purchases are made via the internet, the webpage screen should be printed as confirmation of the purchase.

#### **RECOMMENDATION:**

***Detailed receipts be attached to purchasing logs, in addition to the credit card receipt, and that webpage screen prints be attached for purchases via the internet.***

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**Internal procedures were not in place for tracking gift card purchases made with purchasing cards.** Policy #7035, Section 4.9 states, “*Gift cards purchased may be only for clients/customers. Each Division should have internal procedures outlining the use and tracking of the gift cards.*”

As part of the “Readers Choice” program, each of the 18 libraries received 2 Barnes & Noble gift cards valued at \$15 each. These were purchased with the purchasing cards. In a semi-annual drawing, a winner from each library was given the gift card. The Fiscal Manager stated that a formal written internal procedure did not exist. However, personnel were directed to maintain a log that recorded recipients of the gift cards.

The Collections Associate Director provided us with a list of recipients for the period January 2007 through April 2007. The Associate Director noted that some libraries failed to maintain a log of drawing winners, as she required them to do. However, Whitmore was one of the libraries maintaining this list. Those libraries that were maintaining a list of winners had submitted their results so far for 2007 to the Associate Director. The “Readers Choice” gift card program was new for 2007. Library staff may not have been aware of the requirement to maintain a log of drawing winners. However, without properly accounting for individuals that receive the cards, employees could be receiving them, contrary to Countywide policy.

**RECOMMENDATION:**

*A log of gift card winners be maintained at each branch and a copy forwarded to the Fiscal Manager.*

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**Two Library employees had purchasing cards with limits of \$10,000 each. However, actual use of the cards was far short of the limit.** We analyzed card usage and found that 30 percent of limits were used in purchases on a monthly basis.

Best business practices tailor spending limits for each cardholder that reflects historical purchasing patterns/trends. For the period examined, the highest actual monthly purchases were \$5,649 while the lowest were \$472. The average monthly purchases for both cards were \$5,698 consisting of 14 transactions.

**RECOMMENDATION:**

*Consideration be given to adjusting limits on the purchasing cards based on historical purchasing patterns.*

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Although our audit indicated that some improvements could still be made at Whitmore Library, we believe that in general the Library has established an effective system of internal control. For example, management has established:

- A positive control environment that supports a proactive employee attitude toward internal control.
- Adequate control activities in the form of policies and procedures that enforce management's directives and help ensure that actions are taken to address risks. Specific control activities such as approvals, authorizations, verifications, reconciliations and reviews that are encouraged and monitored by management.
- Adequate avenues of information and communications that ensure managers receive timely information.
- Ongoing monitoring activities for reviewing and analyzing reports and assessing compliance with policies and procedures.

We trust the work that we have performed will serve to improve operations within Whitmore Library and continue to reinforce the importance of sound procedures to prevent fraud and preserve the integrity of County assets.

Sincerely,

James B. Wightman, C.P.A.  
Director, Internal Audit Division

CC: Mike Stoker  
Kent Dean  
Jean Nielsen  
Kelly Colopy  
Tammy Stewart  
Greg Folta

(In Conjunction with County Policy #1208)

**REQUEST FOR CHANGE  
OR ESTABLISHMENT OF PETTY CASH  
OR OTHER IMPREST FUNDS**

**SECTION I - IDENTIFICATION OF AGENCY AND CASHIER**

NAME AND LOCATION OF AGENCY DIRECTOR: \_\_\_\_\_  
 ORGANIZATION NAME: \_\_\_\_\_  
 FUND NUMBER: \_\_\_\_\_  
 ORGANIZATION NUMBER: \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_  
 PHONE NUMBER: \_\_\_\_\_

**SECTION II - ACTION REQUESTED**

**REQUEST FOR ESTABLISHMENT OF NEW ACCOUNT OR CHANGE IN EXISTING ACCOUNT**

Policy #1203 Ref.

Check One

- 1.2  Petty Cash
- 1.3  Change Fund
- 1.4  Imprest Checking

2.1.2 Custodian's name \_\_\_\_\_  
 2.1.3 Custodian's title \_\_\_\_\_  
 Requested imprest amount \$ \_\_\_\_\_  
 Location/address \_\_\_\_\_  
 Name of responsible cashier: \_\_\_\_\_

Check One

- 1.2  Petty Cash
- 1.3  Change Fund
- 1.4  Imprest Checking

Check All That Apply

2.1.2  Custodian being replaced: \_\_\_\_\_  
 New Custodian \_\_\_\_\_  
 New Custodian's Title \_\_\_\_\_  
 2.1.3  New requested amount \_\_\_\_\_  
 Effective date \_\_\_\_\_  
 New location address \_\_\_\_\_  
 New telephone number: \_\_\_\_\_  
 Name of new responsible cashier: \_\_\_\_\_

**AGENCY AUTHORIZATION**

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Effective Date of Designation

\_\_\_\_\_  
Agency Director or Designee

**AUDITOR AUTHORIZATION**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Auditor or Designee

**REQUEST FOR CHANGE  
OR ESTABLISHMENT OF PETTY CASH  
OR OTHER IMPREST FUNDS  
(continued)**

**SECTION III - PURPOSE AND NEED**

2.1.1 Please provide a *detailed explanation* as to why the Agency needs to establish or change this petty cash, change fund, or imprest checking account:

**INTERNAL CONTROLS OVER ACCOUNT**

2.1.4

**ACCOUNTING DISTRIBUTION FOR REIMBURSEMENT CHARGES**

2.1.5

Fund	Dept/Agency	Unit/Org	Object	Activity
_____	_____	_____	_____	_____

2.1.6 Estimated total annual dollar volume to be spent from fund \_\_\_\_\_

2.1.8 Estimated number of reimbursement requests per year \_\_\_\_\_

**SECTION IV - INSTRUCTIONS**

- 2.1 1. This completed form is to be submitted to the Auditor's Office, Accounting & Operations Division, Accounts Payable Section prior to the establishment of or change in a petty cash, change fund, or imprest checking account. A notarized affidavit shall be attached for all custodian changes.
- 2.3 2. All imprest accounts established as checking accounts should be interest-bearing accounts where feasible. Prior to opening an account with a commercial bank, the custodian shall contact the County Treasurer who may provide guidance regarding which bank to use and may wish to sign on the account.
- 3. A petty cash, change fund, or imprest checking account may be terminated using this form. Process as a change in the amount of \$0.00 with no new custodian. Explain fully above. The entire amount in cash and vouchers, with a reimbursement request shall be delivered to the Auditor's Office, Accounting & Operations Division, Accounts Payable Section.

(This form must accompany MPF FORM 2 when making application to become a custodian of a petty cash or imprest fund.)

CUSTODIAN'S AFFIDAVIT

STATE OF UTAH

SS

COUNTY OF SALT LAKE

being duly sworn and upon oath states as follows:

1. I accept custody of the foregoing petty cash, change fund, or imprest checking account;
2. I have received a copy of the Salt Lake County Countywide Policy on Petty Cash and Other Imprest Funds (#1203) and the Salt Lake County Management of Public Funds Policy and Procedures Manual and have read the same and understand the contents and requirements hereof;
3. I understand that I am responsible for the safekeeping of said fund and in the event of loss, due to any act or failure to act on my part, that I may be liable for repayment thereof.

\_\_\_\_\_  
Custodian: Signature

Subscribed and sworn to before me

this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_

Residing at \_\_\_\_\_