

A REPORT
TO THE CITIZENS OF SALT LAKE COUNTY
BEN McADAMS, MAYOR



An Audit of the Key Controls of the
Salt Lake County Treasurer's Office

October 22, 2014

GREGORY P. HAWKINS

SALT LAKE COUNTY AUDITOR

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October 22, 2014

Ben McAdams, Mayor
Salt Lake County
2001 S State St #N2100
Salt Lake City, UT 84114-4575

Re: An Audit of the Key Controls of the Salt Lake County Treasurer's Office

GREGORY P. HAWKINS
Salt Lake County Auditor

LONN LITCHFIELD, JD, LL.M.
Chief Deputy Auditor

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Dear Mayor McAdams:

We recently completed an analysis of the financial records of the Salt Lake County Treasurer's Office in compliance with Utah Code Ann. § 17-19a-204. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that we have identified as key to good financial management. We also sought to identify areas of material risk to determine whether we should commit more of our limited resources in further auditing or investigation.

Our work was designed to provide reasonable but not absolute assurance that records were accurate and complete and that the system of internal controls was adequate. There may be inaccurate or incomplete financial records that were not selected for review. Further, there may also be instances of noncompliance in areas not examined.

We appreciate the time spent by the staff at the Salt Lake County Treasurer's Office and the cooperation from Phil Conder, Budget and Administrative Officer, Angie Vise and Ben Umeadi, Division Administrators, and other assigned staff members for answering our questions, gathering the necessary documents and records, and allowing us access to the Salt Lake County Treasurer's Office during our audit. The staff was friendly, courteous, and very helpful. Please feel free to contact me with any questions.

Sincerely,

Gregory P. Hawkins
Salt Lake County Auditor

By Anita C. Kasal
Deputy Auditor

cc: K. Wayne Cushing, Treasurer
Randy Wightman, Chief Deputy Treasurer



Objectives

Pursuant to § 17-19a-204, we analyzed the financial records and internal controls of the Salt Lake County Treasurer's Office. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that are key to good financial management. We also sought to identify areas of material risk.

Conclusion

The Salt Lake County Treasurer's Office has put into place key internal controls for managing public funds and safeguarding public assets. We found that the internal controls that we examined were sufficient to mitigate risk. We found no consistent violations of Countywide policies.

Background

The Salt Lake County Treasurer's Office is located at 2001 South State Street in Salt Lake City. The Treasurer collects real property taxes assessed against all parcels within the County and these taxes are collected on behalf of all local government entities. In fact, most of the approximately \$1 billion collected each year is distributed to other entities, including cities, school districts, and special service districts. The office also collects personal property taxes on behalf of the Assessor's Office.

Scope

Our work included a formal examination of financial records related to the following key internal controls, to the degree applicable:

- Change fund
- Petty Cash and Imprest Accounts
- Cash Receipting
- Cash Depositing
- Credit / Debit Card
- Capital and Controlled Assets and Software Inventory
- Financial Computer Controls
- Purchasing Card Use
- Payroll Practices

Our examination period covered up to twelve months ending August 31, 2014. In addition to reviewing financial records, we reviewed and examined current practices through observation. Sampling of daily cash deposits, where applicable, was performed to assess compliance with Countywide policy and standard business and internal control practices.