



January 20, 2026

Washoe County Registrar of Voters
Attn: Andrew McDonald
1001 E. 9th Street
Reno, NV 89512

RE: ROV Department Petty Cash and Change Fund Audit Findings

Dear Mr. McDonald:

Annually, the Treasurer's Office conducts a count of change funds and petty cash funds for all County departments. The Internal Audit Division assists the Treasurer's Office by performing these counts on its behalf.

The cash count for the Registrar of Voters office was completed on January 14, 2026, and all funds reviewed were found to be in balance.

Authorized Total			
	Change Fund	Petty Cash	Audited Total
Front Counter	\$150.00	\$0.00	\$150.00
Grand Total	\$150.00	\$0.00	\$150.00

In addition to performing cash counts for the Treasurer's Office, the Internal Audit Division was approved by the Audit Committee and the Board of County Commissioners (BCC) to conduct cash control audits for a limited number of departments or divisions, selected by the Internal Audit Division, to be completed during Fiscal Year 2026.

The Registrar of Voters (ROV) was selected for a cash controls audit for Fiscal Year 2026. The objective of this audit was to assess whether cash handling activities within ROV comply with established internal policies and procedures, Washoe County Code, and recognized best practices.

The scope of the audit included a review of the end-to-end cash handling process, from the point of transaction through deposit at the bank, a physical cash count of the register, and interviews with relevant personnel. The audit also evaluated the effectiveness of ROV's written cash handling policies and procedures.

The Internal Audit Division conducted interviews with applicable staff and observed cash handling activities during fieldwork. Based on these observations, the Internal Audit Division identified control gaps and is providing recommendations to mitigate risk and strengthen cash handling policies, procedures, and internal controls to reduce risk and promote accountability.



While the Registrar of Voters is in the process of relocating to a new facility, the identified control deficiencies present immediate risk and require timely remediation. Accordingly, management is expected to provide a formal written response and remediation plan within 30 days of report issuance. The Internal Audit Division will conduct a follow-up review to assess the implementation status and effectiveness of corrective actions, including follow-up contact with management, regardless of the relocation timeline.

Recommendations

1. Enhance Physical Security Over Cash and Cash Registers

Cash should be secured in a locked container or safe at the close of each business day and counted before and after each shift. Access to cash storage keys or combinations should be formally assigned, documented, and restricted to authorized personnel. In addition, cash registers should be physically secured to counters or other fixed surfaces using bolts or comparable methods to prevent removal or tampering. Controls should also be implemented to prevent unauthorized access, including limiting the ability to open registers without a key or supervisory approval.

2. Strengthen Segregation of Duties Over Cash Handling and Deposits

Management should establish segregation of duties to ensure that employees processing payments are not responsible for preparing deposits. Further, the employee responsible for preparing the deposit should not be the same individual transporting the deposit to the Treasurer's Office. Where staffing limitations exist, compensating controls such as supervisory review and documented oversight should be implemented.

3. Strengthen Transaction Recording and Reconciliation Practices

Management should require that all cash and check transactions be entered into SAP Cash Desk at the time each transaction is processed rather than at the end of the day. Daily reconciliations should be performed by comparing transactions recorded in SAP Cash Desk to the cash and checks in the register to ensure completeness, accuracy, and timely detection of discrepancies.

4. Require Daily Cash Counts and Maintain Imprest Balances

Cash drawer counts should be performed daily, regardless of transaction activity, to ensure the drawer remains at the approved imprest amount. All cash and checks in excess of the imprest amount should be removed from the drawer at the end of each day and secured in a designated location for deposit preparation the following business day, or an alternative process should be established to ensure funds are not comingled across multiple days.

**5. Improve Check Handling Controls**

The Registrar of Voters should implement procedures to ensure all checks received at the front counter or through the mail are immediately endorsed with a Treasurer's Office stamp upon receipt. In addition, staff should be required to verify and document customer identification when accepting checks to reduce the risk of fraud or unauthorized transactions.

6. Strengthen Controls Over Voided Transactions

Management should establish procedures requiring the involvement of at least two individuals to approve and process any voided transaction. This segregation of duties will reduce the risk of improper or unauthorized voids and enhance accountability.

7. Develop and Maintain Written Cash Handling Procedures

Management should develop and maintain comprehensive written procedures that clearly outline all cash handling policies, roles, responsibilities, and internal control requirements. These procedures should be formally approved, communicated to staff, and periodically reviewed to ensure continued compliance with County requirements and best practices.

8. Standardize Daily Transaction Documentation

Management should evaluate the continued use of Microsoft Forms for recording daily transactions and determine whether it aligns with County standards and best practices. If it does not, an approved and standardized method should be implemented to ensure consistency, reliability, and auditability of daily transaction records.

Sincerely,

Katelyn Kleidosty
Internal Audit Manager
kkleidosty@washoecounty.gov

Louis Martensen, CIA
Internal Auditor
lmartensen@washoecounty.gov

cc: Justin Taylor, Maggie Lazzari, Maria Alvarado
Attachment: Treasurer's Office - Cash Count Sheet