



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: May 12, 2026

DATE: April 8, 2026

TO: Board of County Commissioners

FROM: Katelyn Kleidosty, Internal Audit Manager
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THROUGH: Abbe Yacoben, Chief Financial Officer

SUBJECT: Recommendation to acknowledge receipt of the fiscal year 2026 petty cash and change fund count and cash control audit for Washoe County Community Services Department – Building Services from the Internal Audit Division. Finance. (All Commission Districts.) FOR POSSIBLE ACTION

SUMMARY

The Internal Audit Division, on behalf of the Treasurer's Office, conducted its annual petty cash and change fund count for Washoe County Community Services Department (CSD) – Building Services on January 6, 2026. The audit included a review of written cash handling procedures, interviews with applicable staff, and direct observation of cash handling activities. While no discrepancies were identified, minor recommendations were provided to further strengthen internal controls. This report recommends that the Board of County Commissioners acknowledge receipt of the completed audit findings. The audit was presented to the Audit Committee at the April 2026 meeting.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability

PREVIOUS ACTION

No previous action has been taken on this Board item.

BACKGROUND

Annually, the Treasurer's Office conducts surprise counts of change funds and petty cash funds for all County departments, with assistance from the Internal Audit Division. Washoe County has twenty-four (24) departments that maintain cashier/till funds, change funds, petty cash funds, or a combination thereof, all of which are subject to at least one surprise count per year.

AGENDA ITEM # _____

Varying degrees of cash control audits have been performed by the Internal Audit Division since 2017. The current fiscal year 2026 annual fund count represents the continuation of this ongoing oversight program.

CURRENT AUDIT

In addition to counting cash on behalf of the Treasurer's Office, the Internal Audit Division reviewed written cash handling procedures, interviewed applicable staff, and observed cash handling activities. Based on these procedures performed on January 6, 2026, all funds reviewed were found to be in balance.

For the cash counted and cash control audit completed, the summary of findings and recommendations are noted below:

Summary of Findings:

- All funds reviewed for the Community Services Department – Building Services were found to be in balance. No exceptions noted for cash reconciliation.

Summary of Recommendations:

- The Permit Counter drawer should be counted down and verified by at least two individuals at the end of each shift, even if the drawer was not utilized.
- Because cash transactions are infrequent, it is recommended that each count be documented on a cash log and maintained with the drawer. These practices help ensure all funds are accounted for and reduce the risk of loss or misappropriation.

FISCAL IMPACT

This report has no fiscal impact. The annual fund count is a routine oversight activity conducted at no additional cost to the department or the County. However, implementation of some recommendations may have fiscal impact.

OPERATIONAL CONSIDERATIONS

The audit was performed on January 6, 2026, and the findings letter was issued on January 6, 2026, addressed to Kelly Mullin, CSD Building Services. Copies were provided to Justin Taylor, Maggie Lazzari, Louis Martensen, Amber Braun, and Eric Crump. The attached Cash Count Sheets serve as the supporting documentation for this audit.

COMMUNITY IMPCAT

Sound cash handling practices within Community Services Department – Building Services support the accurate collection and safeguarding of public funds associated with permitting and development services. Maintaining strong internal controls helps ensure reliable financial operations, reduces the risk of

error or loss, and reinforces public trust in the County's stewardship of funds related to construction, permitting, and community development activities.

RECOMMENDATION

Recommendation to acknowledge receipt of the fiscal year 2026 petty cash and change fund count and cash control audit for Washoe County Community Services Department – Building Services from the Internal Audit Division.

POSSIBLE MOTION

Should the Board of County Commissioners acknowledge receipt of this audit report, a possible motion would be:

Move to acknowledge receipt of the fiscal year 2026 petty cash and change fund count and cash control audit for Washoe County Community Services Department – Building Services from the Internal Audit Division.

Attachments:

BCC 5-12-2026 CSD Building Services_Change and Petty Cash Fund Count
Memo FY 26