

CITY OF SUNNYVALE

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
FISCAL ADMINISTRATION OF PUBLIC FUNDS**

**FOR THE PERIOD FROM
NOVEMBER 1, 2022 THROUGH FEBRUARY 28, 2023,
AND ON AUGUST 15, 2023**

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Honorable Mayor and Members of the City Council
Sunnyvale, California

We have performed the procedures enumerated below on the fiscal administration of public funds of the City of Sunnyvale, California (City), for the period from November 1, 2022, through February 28, 2023, and on August 15, 2023. The City's management is responsible for the fiscal administration of public funds for the period from November 1, 2022 through February 28, 2023, and on August 15, 2023.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the City in evaluating its custody and control of the City's public funds pursuant to Article XIII Fiscal Administration, Section 1318 Independent Audit of the City Charter. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

At the request of the management of the City's Department of Finance, we applied the agreed-upon procedures to the following areas:

1. Sunnyvale Community Center (Community Center) Cash Register
2. Sunnyvale Senior Center (Senior Center) Cash Register
3. Development Fees

The procedures and associated findings are as follows:

1. Sunnyvale Community Center Cash Register

We performed a surprise cash count at the Community Center on August 15, 2023.

- a. We observed the cash count for the Community Center's cash registers and compared the cash count to the total of the startup funds and the balance reported on the cash register report.

Finding: The record on the cash register report was \$250. However, the counted amount totaled \$200, which was \$50 short. Community Center staff indicated that the \$50 was being used at Columbia pool.

City's Response: After speaking with the pool manager, the Department of Finance determined that the missing \$50 from the Community Center \$250 change fund was not being used at Columbia pool. The funds at Columbia were part of a different change fund that was received for the Washington Pool of \$150, \$100 went to Washington and \$50 to Columbia. Community Center Staff resumed their search of the missing funds and the \$50 from the vacant cashier could not be located. Accounting will be making an entry to update their fund and to account for the missing \$50. Community staff are revisiting their practices and procedures to ensure the security of City funds.

- b. We observed the cash count for the change fund in the safe and compared to the total count for the change fund to the reconciled amount provided by the City.

Finding: While the Community Center did not have any cash count for the change fund in a safe, they did have thirty-six bags of collected money totaling \$119,273.87 locked in the safe. Garda, the contracted armored truck, has not picked up the cash collected since June 30, 2023. We recommended the City should ensure that cash collection timely on a reasonably regular basis.

City's Response: Subsequently after the auditor's visit, the Finance followed up, picked up the bags, and transported them to the bank for deposit. Staff worked with Garda to resume the pickup services on 9/7/2023.

- c. We reviewed the cash receipt reconciliation for the previous day and compared the cash receipts to the corresponding deposit slips for each register.

Finding: No exceptions were found as a result of applying the procedure.

- d. We compared the total cash count for the startup fund and the change fund in the safe to the amount reported in the City's general ledger.

Finding: No exceptions were found as a result of applying the procedure.

2. Sunnyvale Senior Center Cash Register

We performed a surprise cash count at the Senior Center on August 15, 2023.

- a. We observed the cash count for the Senior Center's cash registers and agreed the cash amount to the total of the startup funds and the balance reported on the cash register report.

Finding: No exceptions were found as a result of applying the procedure.

- b. We observed the cash count for the change fund in the safe and agreed to the reconciled amount provided by the City.

Finding: No exceptions were found as a result of applying the procedure.

- c. We reviewed the cash receipt reconciliation for the previous day and compared the cash receipts to the corresponding deposit slips for each register.

Finding: No exceptions were found as a result of applying the procedure.

- d. We compared the total cash count for the startup and change funds in the safe to the amount reported in the City's general ledger.

Finding: No exceptions were found as a result of applying the procedure.

3. Development Fees

We haphazardly selected a sample of 12 Development Fees for the period from November 1, 2022 to February 28, 2023 and performed the following procedures:

- a. We verified that the receipt amounts were supported by invoices prepared by the City.

Finding: No exceptions were found as a result of applying the procedure.

- b. We verified that the City received the payment by agreeing to support documents such as check copy, bank statement, or wire transfer support.

Finding: No exceptions were found as a result of applying the procedure.

We were engaged by the City to perform the agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, the fiscal administration of public funds for the period from November 1, 2022 to February 28, 2023, and on August 15, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Mayor, City Council, and the City's management, and is not intended to be and should not be used by anyone other than these specified parties. This report is a matter of public record and this does not limit the distribution of this report.



Pleasant Hill, California
September 18, 2023