

REPORT HIGHLIGHTS



CASH FUNDS UNCOMMITTED RESERVES
FISCAL YEAR ENDED JUNE 30, 2014
PERFORMANCE AUDIT

STATE OF COLORADO
OFFICE OF THE STATE CONTROLLER

CONCERN

Eight departments had cash funds with excess uncommitted reserves that were out of compliance with Section 24-75-402, C.R.S. at June 30, 2014, and in one case, reported those excess reserves to the OSPB incorrectly.

KEY FACTS AND FINDINGS

- We determined that eight departments had funds with excess uncommitted reserves at June 30, 2014.
 - ▶ Within those eight departments, 21 total cash funds had excess uncommitted reserves. This was a decrease from the previous year with 12 departments and 34 total cash funds.
 - ▶ The cash funds contained a total of \$22.5 million in excess uncommitted reserves at June 30, 2014. This was a decrease of \$3.1 million from the previous year.
- The departments that we identified as having cash funds with excess uncommitted reserves as of June 30, 2014, are:
 - ▶ Department of Agriculture
 - ▶ Department of Education
 - ▶ Department of Human Services
 - ▶ Department of Natural Resources
 - ▶ Department of Personnel and Administration
 - ▶ Department of Public Health and Environment
 - ▶ Department of Regulatory Agencies
 - ▶ Department of Revenue
- ▶ We found that the Department of Regulatory Agencies did not submit accurate information to the OSPB in accordance with requirements.

BACKGROUND

- Section 24-75-402, C.R.S. limits the amount departments can keep in certain cash funds at the end of a fiscal year.
- The Office of the State Controller (OSC) prepares the Cash Funds Excess Uncommitted Reserves Report to determine which funds are in compliance.
- Each department verifies the financial information prepared by the OSC. This information is audited as part of the Statewide Financial audit.
- The Office of State Planning and Budgeting (OSPB) requires departments to submit cash fund information with their annual budget packages that agree to the report prepared by the OSC.

KEY RECOMMENDATIONS

The out of compliance departments should:

- A Monitor excess uncommitted reserves to ensure all cash funds are in compliance with Section 24-75-402, C.R.S. requirements.
- B Implement procedures to ensure they accurately report cash funds information to the OSPB.