



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

June 30, 2023

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA
Alan D. Garcia, CPA, MSA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

**To the Management of City of Perris
Perris, California**

In planning and performing our audit of the financial statements of City of Perris (the City) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated June 30, 2023 on the financial statements of the City. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized on the following page.



Finding 1:

Review of the high/low exception report and the documentation of the review process over billing registers is not being maintained.

Recommendation 1:

We suggest that the City document the review of these reports and retain them as support for controls over the billings process.

Management Response 1:

In May 2023, the City completed the implementation of a new MUNIS billing system with capability to enforce segregation of duties regarding the several tasks under the utility billing functions. The Finance Department commenced performance of the improved internal controls under the new MUNIS billing system in June 2023. The new MUNIS billing system has the capability to print the register for review before the actual printing of the bills.

Finding 2:

Various adjustments were made throughout the audit due to the year-end closing process not being completed properly.

Recommendation 2:

We suggest that the City create a closing checklist or procedures to ensure that all balances have been reviewed prior to the audit commencing.

Management Response 2:

The City has a checklist for the year-end closing procedures, but it wasn't too effective because of the delay in the reconciliation process. We have hired temporary personnel to assist in the reconciliation. We are also adjusting the year-end closing procedure to make it effective.

We believe that the implementation of these recommendations will provide the City with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

This communication is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Rogers, Anderson, Malody & Scott, LLP.