

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 3/8/2016	(3) CONTACT/PHONE Kerry Bailey 805-788-2979	
(4) SUBJECT Submittal of a follow-up cash procedures and internal control review of the Sheriff-Coroner's Office conducted on January 6, 2016. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board receive, review, and file the attached Sheriff-Coroner's Office Cash Procedures and Internal Controls Review Follow-up Report.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>5/19/2015</u>	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: James P. Erb, CPA, Auditor - Controller - Treasurer - Tax Collector

DATE: 3/8/2016

SUBJECT: Submittal of a follow-up cash procedures and internal control review of the Sheriff-Coroner's Office conducted on January 6, 2016. All Districts.

RECOMMENDATION

It is recommended that the Board receive, review, and file the attached Sheriff-Coroner's Office Cash Procedures and Internal Controls Review Follow-up Report.

DISCUSSION

Our office previously performed a cash procedures and internal control review and submitted a report for the Board's review on April 27, 2015. Our follow-up cash procedures and internal control review was initiated to determine whether the department implemented the recommendations identified in our report.

We determined the Sheriff-Coroner's Office has implemented our recommendations.

OTHER AGENCY INVOLVEMENT/IMPACT

The Sheriff-Coroner's Office

FINANCIAL CONSIDERATIONS

There is no additional cost to the County for conducting unannounced cash and internal control reviews. Periodic unannounced cash and internal control reviews are a part of the ACTTC's compliance with Government Code 26881 and 26883.

RESULTS

Monitoring activities, including follow-up reviews, help maintain reporting accountability and responsibility and contribute to the County's vision of a well-governed community.

The ACTTC's program of periodic unannounced reviews of cash procedures and other internal controls helps maintain and improve internal controls and procedures for cash handling by County staff and contributes to the County's vision of a well-governed community.

ATTACHMENTS

1. Sheriff-Coroner Cash Procedures & Internal Control Review Follow-Up



COUNTY OF SAN LUIS OBISPO

AUDITOR • CONTROLLER • TREASURER • TAX
COLLECTOR • PUBLIC ADMINISTRATOR

Sheriff-Coroner Office Cash Procedures & Internal Control Review Follow-Up

February 2016

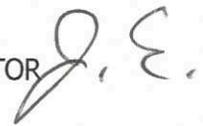
**JAMES P. ERB, CPA
Auditor-Controller
Treasurer-Tax Collector-Public Administrator**



COUNTY OF SAN LUIS OBISPO

AUDITOR • CONTROLLER • TREASURER • TAX
COLLECTOR • PUBLIC ADMINISTRATOR

TO: IAN PARKINSON, SHERIFF-CORONER

FROM: JAMES P. ERB, CPA, AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR 

DATE: FEBRUARY 9, 2016

SUBJECT: FOLLOW-UP CASH PROCEDURES AND INTERNAL CONTROL REVIEW OF THE SHERIFF-CORONER'S MAIN OFFICE CONDUCTED ON JANUARY 6, 2016.

Our office previously performed a cash procedures and internal control review of the Sheriff-Coroner's Main Office that took place on February 9, 2015. We recently performed a follow-up review to determine whether the recommendations we identified in our initial report were implemented. We determined the Sheriff-Coroner has implemented our recommendations.

Purpose

The purpose of our review was to determine whether the Sheriff-Coroner implemented recommendations provided in our original April 27, 2015 report.

Scope

The scope of our review included cash and receipts on hand on January 6, 2016. Additionally, we reviewed the department's internal controls relating to deposits.

Methodology

We conducted our review in conformance with the *International Standards for the Professional Practice of Internal Auditing*. The International Standards for the Professional Practice of Internal Auditing require the internal audit activity be independent and internal auditors be objective in performing their work. The Standards also require internal auditors perform their engagements with proficiency and due professional care; the internal audit function be subject to a program of quality assurance; and the results of engagements are communicated.

Our review included physically counting all cash on hand for January 6, 2016 and reconciling the amount to the department's accountability figures. We examined cash receipts and compared the amounts to the corresponding receipts total and to the subsequent deposit. Our review also included evaluating internal controls relating to cash. Our evaluation of internal controls was limited to inquiries of departmental staff and direct observations.

Results

We found the Sheriff-Coroner implemented the recommendations from our prior report.

Previous Findings & Recommendations and Follow-Up Results

1. Deposit Frequency

The Permit/Records window takes payments for various services and makes a weekly deposit. While the Sheriff-Coroner's Office has been granted a Frequency of Deposit Waiver from the Auditor-Controller's Office, daily receipts over \$500 must be deposited each Monday, Wednesday, and Thursday. Due to an oversight, staff did not make deposits in accordance with the waiver. When cash receipts are held over the prescribed time period the possibility of misappropriation significantly increases.

Recommendation:

All cash receipts over \$500 must be deposited each Monday, Wednesday, and Thursday.

Follow-up Results:

Implemented: The Sheriff-Coroner staff makes deposits daily.

We appreciate the courteous attitude of your staff and the cooperation we received during the course of our review.