

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

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|---|---|--|----------------------|
| (1) DEPARTMENT Auditor - Controller | (2) MEETING DATE 8/27/2013 | (3) CONTACT/PHONE Kerry Bailey 788-2979 Suzanne DeWitt 781-4846 | |
| (4) SUBJECT Submittal of a cash procedures review of the County Treasurer's Office conducted on June 28, 2013. | | | |
| (5) RECOMMENDED ACTION It is recommended that the Board receive the item and file. | | | |
| (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: <input type="checkbox"/> 4/5th's 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>June 18, 2013</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: 8/27/2013

SUBJECT: Submittal of a cash procedures review of the County Treasurer's Office conducted on June 28, 2013.

RECOMMENDATION

It is recommended that the Board receive the item and file.

DISCUSSION

As directed by California Government Code Sections 26920 and 26922, an unannounced cash procedures review was conducted at the County Treasurer's Office, and cash funds of \$117,908.85 were accounted for and balanced to the Treasurer's Daily Cash Report. Investments in the County Treasury totaled \$554,145,168.27 and were reconciled from investment reports to the Treasurer's Daily Report. The investments were also reviewed and found to be in compliance with the current County Treasury's Investment Policy. Total funds in the County Treasury on June 28, 2013 were \$630,922,126.50

The fourth quarter cash review was performed prior to the consolidation of the Auditor-Controller and the Treasurer-Tax Collector's offices on August 8, 2013. Future Treasury cash reviews will be performed by the County's external auditors, Gallina, LLP.

OTHER AGENCY INVOLVEMENT/IMPACT

The cash procedures review was conducted at the County Treasurer's Office.

FINANCIAL CONSIDERATIONS

Our review verified that funds reported by the Treasurer's Office equaled cash on hand and funds held by financial institutions.

RESULTS

The Auditor-Controller's program of quarterly cash procedures reviews of the Treasury fulfills Government Code requirements and informs the Board of Supervisors and the public on the status of the County Treasury.

ATTACHMENTS

1. Cash Procedures Review Report
2. Auditor-Controller's Certification Q4 2012-13



COUNTY OF SAN LUIS OBISPO

Office of the Auditor-Controller

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James P. Erb, CPA, CICA
Auditor-Controller

James Hamilton, CPA *Assistant*
Lydia Corr, CPA *Deputy*
Tamara Kaizuka, CPA *Deputy*

TO: GORDON EILAND, ACTING TREASURER TAX-COLLECTOR-PUBLIC ADMINISTRATOR

FROM: JAMES P. ERB, AUDITOR-CONTROLLER 

DATE: AUGUST 7, 2013

SUBJECT: CASH PROCEDURES REVIEW OF THE TREASURER'S OFFICE CONDUCTED ON JUNE 28, 2013

Purpose

The objective of our review was to establish accountability for the cash and investments at the time of our unannounced cash count and to determine compliance with the Treasurer's Investment Policy.

Methodology

Our review included physically counting all cash on hand for June 28, 2013 and reconciling the amount to the department's accountability figures. We reviewed investment reports and verified they were accurately reported on the Treasurer's Daily Report for the date of our review. In addition, we recalculated a sample of investments to determine if the carrying values were accurately reported. Our review also included a limited evaluation of legal compliance with the Treasurer's Investment Policy.

Results

CASH FUNDS

We determined all cash funds and investments, in all material respects, to be in balance at the time of our count, and the Treasurer's Office is in general compliance with the Treasurer's Investment Policy.

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

STATE OF CALIFORNIA
County of San Luis Obispo

The undersigned County Auditor-Controller, having counted the monies in the County Treasury, as required by Section 26920 of the Government Code of the State of California, makes the following statement as of the 28th day of June, 2013, to wit:

Office Funds:

| | | |
|--|-----------------------------|----------------------|
| Cash per Treasurer's Daily Cash Report | \$ 40,900.83 | \$ <u>117,908.85</u> |
| Add: Collection Item | 77,008.02 | |
| Less: Bank Deposits | 0.00 | |
| TOTAL CASH ACCOUNTABILITY | \$ <u>117,908.85</u> | |

| | |
|--------------------------------------|-----------------------------|
| Currency | 40,496.00 |
| Coin | 404.83 |
| Credit Card for Collection | 21,954.81 |
| Online Payments for Collection | (18,006.72) |
| Returned Checks | 73,059.93 |
| Foreign Check | |
| TOTAL CASH PER COUNT | \$ <u>117,908.85</u> |

Cash Difference Funds \$ 68.08

Active Bank Accounts:

| | |
|----------------------|----------------------|
| Union Bank | 55,391,805.93 |
| Rabobank | 21,251,356.34 |
| East West Bank | 15,887.11 |
| Active Bank Accounts | <u>76,659,049.38</u> |

Investment Accounts:

| | |
|---|---------------------|
| Federally Insured Cash Accounts | 15,000,000.00 |
| Certificate of Deposit Account Registry Service (CDARS) | 50,000,000.00 |
| Bankers/Acceptances/Commercial Paper | 9,998,755.56 |
| Public Investment Money Market Account | 273,000,000.00 |
| United States Government and Government Agency Securities | 95,009,968.29 |
| Treasuries | 60,015,295.05 |
| Local Agency Investment Fund (LAIF) | 50,000,000.00 |
| Repurchase Agreements | - |
| TRAN | <u>1,121,149.37</u> |

| | |
|----------------------------|---------------------------------|
| Investments | <u>554,145,168.27</u> |
| TREASURER'S BALANCE | \$ <u>630,922,126.50</u> |

| | |
|---|---------------------------------|
| Balance at the Beginning of the Month | 632,960,554.74 |
| Add: Receipts for the Month | 93,327,487.83 |
| Less: Disbursements for the Month | (95,365,916.07) |
| TREASURER'S BALANCE | \$ <u>630,922,126.50</u> |

Witnesses:

Amy Bailey
Suzanne DeWitt

J. P. S.
County Auditor-Controller

Subscribed in duplicate and sworn before me this 14th day of August, 2013.



By JULIE L. RODEWALD
County Clerk
Hans JLO
Deputy County Clerk