

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

(1) DEPARTMENT Auditor - Controller	(2) MEETING DATE 4/23/2013	(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 August 31, 2012.			
(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>February 26, 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
DATE: 4/23/2013
SUBJECT: Submittal of a cash procedures review of the County's Treasurer's Office conducted August 31, 2012.

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 all funds in the custody of the Treasurer were accounted for and balanced to the Treasurer's Daily Cash Report. Funds in the County Treasury as of August 31, 2012, totaled \$554,142,740.54 of which invested funds totaled \$497,074,965.90. The investments were reviewed and found to be in compliance with the current County Treasury's Investment Policy.

The progress and results of our review were delayed due to the need to reassign staff to perform the State mandated agreed-upon procedures audits required by ABX1 26 which dissolved redevelopment agencies throughout the State.

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 Q1 12-13



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: ART BACON, ACTING TREASURER-TAX COLLECTOR – PUBLIC ADMINISTRATOR
FROM: JAMES P. ERB, AUDITOR-CONTROLLER *J.P.E.*
DATE: APRIL 2, 2013
SUBJECT: CASH PROCEDURES REVIEW OF THE TREASURER'S OFFICE CONDUCTED ON AUGUST 31, 2012.

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 August 31, 2012 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 31st day of August, 2012, to wit:

Office Funds:

Cash per Treasurer's Daily Cash Report	\$ 32,820.92	\$ <u>105,618.06</u>
Add: Collection Item	72,797.14	
Less: Bank Deposits	0.00	
TOTAL CASH ACCOUNTABILITY	\$ <u>105,618.06</u>	

Currency	32,522.00
Coin	298.92
Credit Card for Collection	23,532.52
Online Payments for Collection	46,852.41
Returned Checks	2,412.21
Foreign Check	
TOTAL CASH PER COUNT	\$ <u>105,618.06</u>

Cash Difference Funds \$ 62.90

Active Bank Accounts:

Union Bank	24,531,853.19
Rabobank	32,395,941.97
East West Bank.....	34,361.42
Active Bank Accounts	<u>56,962,156.58</u>

Investment Accounts:

Federally Insured Cash Accounts.....	15,000,000.00
Certificate of Deposit Account Registry Service (CDARS).....	50,000,000.00
Public Investment Money Market Account.....	268,000,000.00
United States Government and Government Agency Securities	5,984,520.35
Treasuries.....	108,090,445.55
Local Agency Investment Fund (LAIF)	50,000,000.00
Investments	<u>497,074,965.90</u>
TREASURER'S BALANCE	\$ <u>554,142,740.54</u>

Balance at the Beginning of the Month	578,607,316.63
Add: Receipts for the Month	66,134,843.94
Less: Disbursements for the Month	(90,599,420.03)
TREASURER'S BALANCE	\$ <u>554,142,740.54</u>

Witnesses: Key Bailey
Augustine Delgado

J. P. S. U.
County Auditor-Controller

Subscribed in triplicate and sworn before me this 02nd day of April, 2013 [Year].



By JULIE RODEWALD
County Clerk
Amigud Tagan
Deputy County Clerk