

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

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 2/3/2015	(3) CONTACT/PHONE Kerry Bailey 788-2979	
(4) SUBJECT Submittal of a Cash procedures and Internal Control Review of the Law Library conducted on November 5, 2014. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board receive, review, and file the Law Library Cash Procedures and Internal Controls review 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: <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>05/26/2009</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 Erb, CPA Auditor - Controller - Treasurer - Tax Collector

DATE: 2/3/2015

SUBJECT: Submittal of a Cash procedures and Internal Control Review of the Law Library conducted on November 5, 2014. All Districts.

RECOMMENDATION

It is recommended that the Board receive, review, and file the Law Library Cash Procedures and Internal Controls review report.

DISCUSSION

Cash handling can be an area vulnerable to mistakes or misappropriation. The Auditor-Controller-Treasurer-Tax Collector-Public Administrator (ACTTCPA) has developed policies to minimize the risk associated with use of change funds and petty cash as well as cash receipts. The objective of our review was to determine compliance with the County Auditor-Controller's Cash Handling Policy and to establish accountability for the cash on hand at the time of the count.

We determined all cash funds and cash receipts on hand to be in balance at the time of our count, and that the Law Library is in general compliance with the Cash Handling Policy.

OTHER AGENCY INVOLVEMENT/IMPACT

San Luis Obispo County Law Library

FINANCIAL CONSIDERATIONS

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

RESULTS

The ACTTCPA'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. Law Library Cash and Internal Controls Review Report FY 2014-15



COUNTY OF SAN LUIS OBISPO

AUDITOR • CONTROLLER • TREASURER • TAX
COLLECTOR • PUBLIC ADMINISTRATOR

Law Library Cash Procedures & Internal Control Review

January 2015

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



COUNTY OF SAN LUIS OBISPO

AUDITOR • CONTROLLER • TREASURER • TAX
COLLECTOR • PUBLIC ADMINISTRATOR

TO: RITA L. NEAL DEPARTMENT, COUNTY COUNSEL

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

DATE: JANUARY 15, 2015

SUBJECT: CASH PROCEDURES AND INTERNAL CONTROL REVIEW OF THE LAW LIBRARY
CONDUCTED ON NOVEMBER 5, 2014

Our office recently completed a cash procedures and internal control review of the San Luis Obispo County Law Library that took place on November 5, 2014.

Purpose

The purpose of our review was to determine compliance with the County Auditor-Controller's Cash Handling Policy, to establish accountability for the cash on hand at the time of the review, and to determine compliance with the County Information Technology (IT) Acceptable Use Policy Acknowledgement signature requirements.

Scope

The scope of our review included cash and receipts on hand on November 5, 2014 as well as deposits for the prior three months. Additionally, we reviewed the department's depository accounts. County IT Acceptable Use Policy Acknowledgements signed in the past calendar year were also sampled and examined.

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 that the internal audit activity be independent and internal auditors be objective in performing their work. The Standards also require that internal auditors perform their engagements with proficiency and due professional care; that the internal audit function be subject to a program of quality assurance; and that the results of engagements are communicated.

Our review included physically counting all cash on hand for November 5, 2014 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 an evaluation of internal controls over cash receipts. Our evaluation of internal controls was limited to inquiries of departmental staff and direct observations.

Results

We determined all cash funds and cash receipts on hand, in all material respects, to be in balance at the time of our count. The Law Library is in general compliance with the Cash Handling Policy.

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