



AUDITOR-CONTROLLER INTER-OFFICE MEMO

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A Tradition of Stewardship
A Commitment to Service

Date: October 16, 2018

To: Board of Supervisors

From: Tracy A. Schulze *TAS*
Auditor-Controller

Subject: Audit Plan for Fiscal Year 2018-19; and
Summary of Internal Audits for Fiscal Year 2017-18

The Auditor-Controller requests Board acceptance of the Audit Plan for Fiscal Year 2018-19:

County-Wide Engagements - The overall purpose of conducting a county-wide audit is to not focus on one specific department's performance, rather determine if it is a county-wide issue. Basically, if any one department indicates high errors and high risk which could be due to improper or lack of training, turnover of key staff, or simply not complying, that would trigger a follow-up departmental audit. Results may also identify if a policy is no longer current or accurate, due to changes in technology, best practices, related policies that have changed, or new regulations or legislation.

- Procurement card monitoring
- Security role review within the County's PeopleSoft program
- Computer purchases – authorization process and approvals
- Vehicle usage of County owned vehicles

Contracted Services

- Napa-Vallejo Waste Management Authority – Quarterly monitoring of Devlin Road Transfer Station contractor
- Napa County Housing Agency – Quarterly monitoring of County Farm Worker Centers operating contractor
- Upper Valley Waste Management Authority - Review solid waste hauling contract compliance and rate review
- Napa County - Zone 1 Garbage and Berryessa Garbage Service rate reviews for the protection of the rate payers

Other Tasks

- Two District Attorney's Grant Fund Audits
- Treasurer's Quarterly Cash Counts
- Nine Transient Occupancy Tax Audits
- Revolving Fund Monitoring
- Donation Reporting - Policy Compliance

In addition, we continue to work with Department Heads, the County Executive Office and the Board of Supervisors to audit areas of concern within departments as requested.

The following engagements were completed during fiscal year 2017-18:

County-Wide Engagements - As stated above, the overall purpose of conducting a county-wide audit is to not focus on one specific department's performance, rather determine if it is a county-wide issue. Basically, if any one department indicates high errors and high risk which could be due to improper or lack of training, turnover of key staff, or simply not complying, that would trigger a follow-up departmental audit. Results may also identify if a policy is no longer current or accurate, due to changes in technology, best practices, related policies that have changed, or new regulations or legislation. I have attached summaries of the audit results which indicate that the policies and procedures are generally being followed throughout the County.

- Capital assets observation – Attachment A
- Employee reimbursements – Attachment B
- Procurement card monitoring – Attachment C

Contracted Services

- Napa-Vallejo Waste Management Authority
- Napa County Housing Agency – Farm Worker Centers
- Rate reviews for solid waste fees

Other Tasks

- Two District Attorney grant fund audits
- Clerk-Recorder – Social Security Truncation audit
- Treasurer quarterly cash counts
- Revolving fund monitoring
- Donation reporting
- Review of Form 214 (FEMA time card reporting) pertaining to the 2017 Napa Fire Complex

Note: Transient Occupancy Tax (TOT) audits were put on hold to allow the revised ordinance, effective January 1, 2017, to be in place for at least 12 months.