



Agenda Date: 10/2/2007  
Agenda Placement: 6D

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Alice Hughey for Randolph F. Snowden - Director  
Health & Human Services  
**REPORT BY:** Alice Hughey, Chief Fiscal Officer, 253-4616  
**SUBJECT:** Request for Relief from Accountability

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### **RECOMMENDATION**

Director of Health and Human Services requests relief from accountability regarding a cash shortage totaling \$578 in the Vital Statistics Unit of the Health and Human Services Agency's Public Health Division, as provided by Section 29390 of the California Government Code and Napa County Resolution Number R-02-188.

### **EXECUTIVE SUMMARY**

On September 11, 2006, a cash shortage in the amount of \$578 was discovered in the reconciliation of the imprest fund of the Health and Human Services Agency's Public Health Division. Pursuant to the County's cash shortage policy, the Director of Health and Human Services: (1) immediately investigated the shortage and found evidence of theft by an external party but no evidence of fraud by HHSA staff; (2) submitted a report to the County Executive Officer and the Auditor-Controller summarizing the department's investigation; and (3) following the Auditor-Controller's investigation and subsequent approval, submitted a Request for Relief from Accountability to the County Executive Office. Since the amount of the cash shortage exceeds \$500, Board approval of the Request for Relief from Accountability is required.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	General Fund. Of the total \$578 cash shortage, \$513 was in the form of a deposit (cash and checks) that would have been made the following business day, and the remaining \$65 was cash missing from the cash drawer (imprest cash fund). Since the \$513 deposit was never made and thus never recorded, that amount cannot be replaced. A warrant for \$65 replaced the cash missing

from the imprest cash fund. The net result is that HHSA's revenues were understated by \$513.

Is it Mandatory or Discretionary? Discretionary

Discretionary Justification: Approval of the requested action will provide relief from accountability for the Director of Health and Human Services for a cash shortage of \$578 in the Public Health Division.

Is the general fund affected? Yes

Future fiscal impact: None.

Consequences if not approved: The Director of Health and Human Services will not be relieved of accountability for the cash shortage.

Additional Information:

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

On September 11, 2006, a cash shortage in the amount of \$578 was disclosed in the reconciliation of the imprest fund of the Health and Human Services Agency's Public Health Division. Pursuant to the County's cash shortage policy, the Director of Health and Human Services immediately investigated the shortage and, with police assistance, determined that it was the result of a theft of cash and checks from a locked drawer in the Public Health Division's Vital Statistics Unit. The Director of Health and Human Services then submitted a report to the County Executive Officer and the Auditor-Controller summarizing the Agency's investigation. Following its own investigation, the Auditor-Controller's office authorized the Director of Health and Human Services to submit a Request for Relief from Accountability for the cash shortage to the County Executive Office. Since the amount of the cash shortage exceeds \$500, Board approval of the Request for Relief from Accountability is required. Since these procedures are used rarely, staff are not conversant with the approval procedures, and it was discovered recently that the Request for Relief from Accountability had not yet been submitted for Board action. Approval of the requested action will provide the Relief from Accountability.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita