



Agenda Date: 6/26/2007
Agenda Placement: 6BB

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Craig Goodman for Pamela Kindig - Auditor-Controller
Auditor - Controller
REPORT BY: Stephen Owen, Accountant-Auditor II, 253-4589
SUBJECT: Audit Reports - Napa Special Investigations Bureau, Special Investigation Revolving Fund

RECOMMENDATION

Auditor-Controller requests the Board accept, and instruct the Clerk of the Board to file the Audit Report for the County of Napa - Napa Special Investigations Bureau - Special Investigation Revolving Fund for the Fiscal Year Ended June 30, 2006.

EXECUTIVE SUMMARY

The Internal Audit Section of the Napa County Auditor-Controller's Office has audited the financial statements and records of the following. Acceptance of said audit report is requested.

County of Napa - Napa Special Investigations Bureau - Special Investigation Revolving Fund for the Fiscal Year Ended June 30, 2006.

FISCAL IMPACT

Is there a Fiscal Impact? No

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

Revolving Fund Audit

Staff conducted the following audit in accordance with auditing standards generally accepted in the United States of America and as stipulated in the engagement letter with the respective agency:

County of Napa - Napa Special Investigations Bureau - Special Investigation Revolving Fund for the Fiscal Year Ended June 30, 2006;

Results of the Audit: An audit report may contain findings in any of the following three categories:

1. Noncompliance
2. Material Internal Control Weakness
3. Immaterial Internal Control Weakness

The findings noted during the respective audit have been summarized below:

Special Investigation Revolving Fund

Category 1: Noncompliance - One (1) finding

Category 2: Material Internal Control Weakness - No findings

Category 3: Immaterial Internal Control Weakness - No findings

Please see the attached Management Comments for a detailed description of the findings, recommendations and responses.

Status of Noncompliance Finding:

Napa Special Investigation Bureau (Bureau) has contacted the County Executive Office and County Counsel for guidance and assistance regarding the matter of noncompliance. The Bureau expects to have a solution that will eliminate the non-compliance but protect the confidentiality of the Revolving fund by the end of July 2007.

SUPPORTING DOCUMENTS

A . Management Comments NSIB Revolving Fund 2006

CEO Recommendation: Approve

Reviewed By: Molly Rattigan