



Agenda Date: 7/31/2007
Agenda Placement: 6E

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Pamela Kindig - Auditor-Controller
Auditor - Controller
REPORT BY: Stephen Owen, Accountant-Auditor II, 253-4589
SUBJECT: Audit Reports - County of Napa Health and Human Services Agency

RECOMMENDATION

Auditor-Controller requests the Board accept, and instruct the Clerk of the Board to file the Audit Report for the County of Napa Health and Human Services Agency, with Financial Statements for the nine months ended March 31, 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 Health and Human Services Agency with Financial Statements for the nine months ended March 31, 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 Health and Human Services Agency financial records as of and for the twelve months ended March 31, 2006 and the Agency's trust account financial statements as of and for the nine months ended March 31, 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:

Health and Human Services Agency

Category 1: Noncompliance - No findings

Category 2: Material Internal Control Weakness - Six (6) findings

Category 3: Immaterial Internal Control Weakness - Eight (8) findings

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

Audit Scope:

The audit encompassed the budget units the Agency has responsibility for including: Public Guardian, Public Health, Mental Health, Social Services, Substance Abuse Services, Health and Human Services Administration, Training and Employment Center and the nineteen (19) Departmental and twelve (12) agency funds under the Agency's responsibility.

SUPPORTING DOCUMENTS

A . HHSA Management Comments 2006

CEO Recommendation: Approve

Reviewed By: Karen Gratton