



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 9/24/2013

Agenda Placement: 70

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Tracy Schulze - Auditor-Controller
Auditor - Controller

REPORT BY: Karen Querin, Audit Manager - 707-253-4588

SUBJECT: Internal Audit Report - Napa County - Sheriff's Department - Sheriff's Crime Prevention and Suppression Revolving Fund

RECOMMENDATION

Auditor-Controller requests the Board accept, and instruct the Clerk of the Board to file, the internal audit report for the Napa County - Sheriff's Department - Sheriff's Crime Prevention and Suppression Revolving Fund for the fiscal year ended June 30, 2012.

EXECUTIVE SUMMARY

The Internal Audit Section of the Napa County Auditor-Controller's Office has audited the financial statements of the Napa County - Sheriff's Department - Sheriff's Crime Prevention and Suppression Revolving Fund for the fiscal year ended June 30, 2012. Acceptance of said internal audit report is requested.

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

Staff conducted an audit of the Sheriff's Crime Prevention and Suppression Revolving Fund for the fiscal year ended June 30, 2012 in accordance with auditing standards generally accepted in the United States of America and as stipulated in the engagement letter with the Napa County Sheriff's Department (Department). The purpose of the audit is to provide assurance to the Napa County Board of Supervisors that the Department is in compliance with the establishing resolution and pertinent Federal, State and Local laws.

Results of the Engagement: If findings occur, they are categorized as follows:

- Noncompliance - Records are not maintained and/or not utilized in accordance with the establishing resolution and the pertinent Federal, State and Local laws
- Material Internal Control Weakness - A deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of a Department's financial records will not be prevented, or detected and corrected on a timely basis
- Immaterial Control Weakness - A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. (An example of being timely is the error occurs before a Department reports to the Auditor-Controller at year end)

The finding noted during the review of financial statements for the fiscal year ended June 30, 2012 has been grouped by the type of finding (i.e. Revolving Fund Authority) in the attached report and summarized below by category of noncompliance or internal control deficiency:

Category	Number of Findings
Noncompliance	1
Material Internal Control Weakness	0
Immaterial Control Weakness	0

Conclusion

Please see the attached report for a detailed description of the Revolving Fund Authority finding, recommendation, and management response. We did not review the Department's response and, accordingly, we express no opinion on it.

On today's Board of Supervisor's agenda, the Sheriff Department has a consent item to adopt a resolution ratifying the Sheriff's authority for the Crime Prevention and Suppression Revolving Fund for an amount not to exceed \$50,000.

SUPPORTING DOCUMENTS

A . Sheriff Revolving Fund Audit 2012

CEO Recommendation: Approve

Reviewed By: Helene Franchi