

**County of Ventura**  
**AUDITOR-CONTROLLER**  
**MEMORANDUM**

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**To:** Honorable Philip J. Schmit, County Clerk and Recorder

**Date:** October 27, 2005

**From:** Christine L. Cohen

**Subject: PERFORMANCE OF LIMITED PROCEDURES REGARDING ACCOUNTABILITY OVER CASH RECEIPT (CR) DOCUMENTS**

We have completed our limited procedures to evaluate the Recorder's Office's accountability over CR documents to mitigate the risks associated with lost or misappropriated deposits. Our procedures were limited to discussions with Recorder management and review of documents establishing accountability over CR documents that were not processed in the Ventura County Financial Management System (VCFMS). Specifically, our limited procedures focused on CR numbers 30300004942, 4949, and 4965, which were not processed in VCFMS. The unprocessed CR numbers were identified from our review of CR documents processed from April 7 through June 9, 2005. Our limited procedures did not constitute an audit and were not designed to provide assurance that funds were properly collected and deposited.

Overall, based on our limited procedures, the Recorder's Office did not establish proper accountability over CR 30300004942, 4949, or 4965. Specifically, the Recorder's Office did not document whether CR 30300004942, 4949, and 4965 were deleted from VCFMS or whether the CR documents were not processed for some other reason. Recorder management believed that the CR numbers were appropriately deleted from VCFMS because all collections appeared to be accounted for properly. However, documentation was not available to authorize and justify the deletion.

As a result, Recorder management implemented procedures to ensure that all CR numbers are accounted for properly in the future. Specifically, a copy of the deleted CR will be printed from VCFMS and retained as part of the supporting documentation. Also, the copy will include the reason for the deletion and a supervisor's signature to authorize the deletion, and the copy will be filed sequentially in the CR document binder. We believe that implementation of such action will effectively strengthen controls over CR document accountability.

During our discussions, we also noted that evidence was lacking that a second person had counted and verified the daily deposit amount. Recorder management agreed that the second person verifying the daily deposit amount will initial the deposit slips to mitigate questions that may arise in the event of a discrepancy.

We appreciate the cooperation and assistance extended by you and your staff during this engagement. If you have any questions or need additional information, please call me at (805) 654-3151.

cc: John F. Johnston, County Executive Officer  
Sandra J. Bickford, Chief Deputy Auditor-Controller