

County of Ventura
AUDITOR-CONTROLLER
MEMORANDUM

To: Calvin C. Remington, Director, Probation Agency

Date: December 7, 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 Probation Agency's accountability over CR documents to mitigate the risks associated with lost or misappropriated deposits. Our procedures were limited to discussions with Probation Agency management and review of documents establishing accountability over CR documents not processed in the Ventura County Financial Management System (VCFMS). Specifically, our limited procedures focused on CR numbers 42000003307, 3443, 3444, 3555, 3585, and 3589, 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 Probation Agency did not establish proper accountability over CR 42000003307, 3443, 3444, 3555, 3585, or 3589. Specifically, although management provided reasonable explanations for the deletion of four of the CR numbers from VCFMS, the Probation Agency did not document the authorization and justification for the deletions. Also, although management believed that collections were accounted for properly, the Probation Agency could not explain and did not document whether two of the CR numbers were justifiably deleted.

As a result, Probation Agency management implemented procedures to ensure that all CR numbers are accounted for properly in the future. Specifically, an exception log will be established, which will sequentially list each deleted CR number and will be reconciled periodically against a VCFMS query of all CR numbers processed. In addition, if a CR does need to be deleted, a copy of the deleted CR will be printed from VCFMS and filed sequentially in the CR document binder. The copy will include the reason for the deletion and a supervisor's signature to authorize the deletion. We believe that implementation of such action will effectively strengthen controls over CR document accountability.

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