

Fresno County Audit Committee Minutes
Auditor-Controller/Treasurer-Tax Collector
Board of Supervisors' Chambers
May 25, 2018 – 10:00 a.m.

MEMBERS PRESENT:

Supervisor Nathan Magsig, Audit Committee Chairman
Daniel Cederborg, County Counsel, Audit Committee Vice-Chairman
Steve Rapada, Chief of Staff, sitting in for Supervisor Sal Quintero
Elizabeth Diaz, Public Defender, Co-Department Heads Council
Jean Rousseau, County Administrative Officer
Manuel Vilanova, Public Member

Call to Order: Chairman Magsig called to order the regular meeting of the Audit Committee (Committee) on May 25, 2018 at 10:00 a.m. in the Board of Supervisors' Chambers.

1. Pledge of Allegiance

- This portion of the meeting began with Steve Rapada leading all in attendance with the Pledge of Allegiance.

2. Approve Agenda

- A motion was made by Jean Rousseau, seconded by Daniel Cederborg and carried 6-0 to receive and approve the May 25, 2018 agenda.

3. Public Presentations

- This portion of the meeting is reserved for persons desiring to briefly address the Committee on any matter not on this agenda within the Committee's subject matter jurisdiction.
- There being none, the Committee proceeded to hear the next item on the agenda.

4. Discussion Regarding the Appointment of Public Members to the Audit Committee

- Chairman Magsig asked, Oscar J. Garcia, CPA, Auditor-Controller/Treasurer-Tax Collector to provide more information.
- Oscar J. Garcia mentioned there is one opening; he has not received any inquiries or applications on the opening.
- Chairman Magsig asked if opening is appointed by the Board of Supervisors; Daniel Cederborg confirmed appointment is made by the Board.

5. Approval of February 23, 2018 Audit Committee Meeting Minutes

- A motion was made by Elizabeth Diaz, seconded by Daniel Cederborg and was carried 6-0 to receive and approve the February 23, 2018 Audit Committee Meeting Minutes.

6. Agenda Items

Consent Item

- a) **Approve Quarterly Fraud Report covering January 1, 2018 to March 31, 2018**

- A motion was made by Daniel Cederborg, seconded by Elizabeth Diaz and was carried 6-0 to approve Agenda Item 6a.

Discussion and Action Items

b) Review and receive 2016-2017 Inmate Welfare Trust Fund (IWF) Agreed Upon Procedures Report

- Baldomero Berber, Business Manager, Sheriff's Office, discussed the report with the Committee. Mentioned this is an annual report and there were no findings.
- A motion was made by Jean Rousseau, seconded by Daniel Cederborg and was carried 6-0 to approve and accept the report.

c) Review and receive 2015-2016 Fresno County Sheriff's Office State Controller's Office Peace Officer Standards & Training (POST) Audit

- Baldomero Berber presented the report covering the period of July 2015 to June 2016. He stated audit is done every 5 years and there were no findings.
- A motion was made by Jean Rousseau, seconded by Elizabeth Diaz and was carried 6-0 to approve and accept the report.

d) Review and receive 1/1/15 – 12/31/16 Fresno County Sheriff's Office High Intensity Drug Trafficking Areas (HIDTA) Audit

- Baldomero Berber presented the report. He mentioned this was the first audit and there were no findings.
- Daniel Cederborg asked about last page of the report regarding findings. Baldomero Berber stated auditors were working on Sacramento County and Fresno County audits at the same time. The findings were not separated and filed with Fresno County in error. Sheriff's Office has since received updated report from the auditor.
- A motion was made by Daniel Cederborg, seconded by Jean Rousseau and was carried 6-0 to approve and accept report with noted correction.

e) Review and approve Department of Public Health Emergency Medical Services AUP

- Shelly Dorn, Supervising Accountant, ACTTC – Financial Reporting and Audits (FRA), presented the objectives and exceptions noted in the report.
- Chairman Magsig asked about source documents regarding missing timesheets; if any costs that were reported could be disallowed and not receive funding due to missing documents.
- Dan Lynch, Division Manager, Public Health, said timesheets were submitted subsequently and it had no effect on funding received. He said that timesheets are now submitted on a monthly basis.
- A motion was made by Jean Rousseau, seconded by Elizabeth Diaz and was carried 6-0 to approve and accept report.

f) Review and approve Assessor-Recorder's Social Security Number Truncation Program AUP #2

- Shelly Dorn presented the background, objectives, and exceptions of the report.
- Committee asked about excess revenue collected and expenses unaccounted for.

- Paul Dictos, Assessor-Recorder, provided responses to exceptions and provided a time study to substantiate labor costs that should have been expensed to special revenue fund.
- Chairman Magsig asked Oscar J. Garcia, ACTTC and ACTTC staff to review the time study provided by Paul Dictos and to provide status at next Committee meeting.
- No action was taken on the item as Chairman Magsig asked this item be brought back to the next scheduled meeting once ACTTC has completed review of the time study.

7. Audit Plan

- Oscar J. Garcia presented the audit plan. He explained the top five business cycles and departments he would like to include in the audit plan for fiscal year 2018-19. He also asked the Committee about any other business cycles and/or departments they would like to add.
- Chairman Magsig deferred to ACTTC for additional items to be added. He stated that ACTTC is more involved in daily functions with departments and would be better qualified to provide insight.
- Jean Rousseau said he wanted to remove Public Defender payroll and fee generated revenues from the list of departments/business cycle to be part of the audit plan for fiscal year 2018-19. He wanted to added Assessor-Recorder cash receipts and distribution.
- Steve Rapada asked if contract compliance will be included in audit plan; Oscar J. Garcia said he will review possibilities of adding contract compliance.
- The Committee would like to improve questions in the risk assessment survey and focus more on fiduciary funds.
- A motion was made by Jean Rousseau, seconded by Daniel Cederborg and was carried 6-0 to remove the Public Defender payroll and fee generated revenues from the audit plan and replace with Assessor-Recorder cash receipts and distribution and leave the three other remaining items on the list (Social Services Cash Receipts, Payroll, and Cash Disbursements).

8. Staff Updates

- Oscar J. Garcia said he is currently revamping the audit side of ACTTC - FRA and will keep working to improve risk-based audits.

9. Adjournment

- A motion was made by Jean Rousseau, seconded by Chairman Magsig and was carried 6-0 to adjourn the meeting at 11:00 a.m.

Audit Committee Members:

Supervisor Nathan Magsig, Audit Committee Chairman

Daniel C. Cederborg, County Counsel, Audit Committee Vice-Chairman

Supervisor Sal Quintero

Jean Rousseau, County Administrative Officer

Elizabeth Diaz, Co-Department Heads Council

Manuel Vilanova, Public Member