



**COUNTY OF SAN LUIS OBISPO  
BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor-Controller-Treasurer- Tax Collector	(2) MEETING DATE 1/14/2025	(3) CONTACT/PHONE Kari Lekvold (805) 781-4846	
(4) SUBJECT Request to receive, review, and file the attached Planning and Building Cash Procedures and Internal Controls Follow-up audit report, conducted in November 2024, and provide direction as deemed necessary.			
(5) RECOMMENDED ACTION It is recommended that the Board receive, review, and file the attached Planning and Building Cash Procedures and Internal Controls Follow-up audit report, and provide direction as deemed necessary.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0	(8) ANNUAL FINANCIAL IMPACT \$0	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date _____ 6/18/2024 _____	
(17) ADMINISTRATIVE OFFICE REVIEW Zachary A. Lute			
(18) SUPERVISOR DISTRICT(S)			



## COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: James W. Hamilton, CPA, Auditor – Controller – Treasurer – Tax Collector

DATE: January 14, 2025

SUBJECT: Request to receive, review, and file the attached Planning and Building Cash Procedures and Internal Controls Follow-up audit report, conducted in November 2024, and provide direction as deemed necessary.

### **RECOMMENDATION**

It is recommended that the Board receive, review, and file the attached Planning and Building Cash Procedures and Internal Controls Follow-up audit report, and provide direction as deemed necessary.

### **DISCUSSION**

Our office previously performed a cash procedures and internal control audit and submitted a report for the Board's review on June 18, 2024. Our follow-up audit was conducted to determine if the department implemented the recommendations identified in our original report.

We determined that the department has implemented the recommendation. Details can be found in the attached audit report.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

Planning and Building.

### **FINANCIAL CONSIDERATIONS**

There is no additional cost to the County for conducting cash and internal control reviews. Periodic cash and internal control reviews are part of the ACTTC's compliance with Government Code Sections 26881 and 26883.

### **RESULTS**

The ACTTC's program of periodic reviews of cash procedures and other internal controls helps maintain and improve internal controls and procedures for cash handling by County staff and contributes to the County's vision of a well-governed community.

### **ATTACHMENTS**

- 1 Planning and Building Cash Procedures and Internal Controls Follow-Up Final Audit Report FY 2024-25



COUNTY OF SAN LUIS OBISPO  
Office of James W. Hamilton, CPA  
*Auditor-Controller • Treasurer-Tax Collector • Public Administrator*

**Michael Stevens**, Deputy  
**Justin Cooley**, Deputy

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# **Planning and Building Cash Procedures & Internal Controls Follow-Up Audit**

**December 2024**

**JAMES W. HAMILTON, CPA**  
**Auditor-Controller • Treasurer-Tax Collector**



TO: TREVOR KEITH, DIRECTOR OF PLANNING AND BUILDING

FROM: JAMES W. HAMILTON, CPA, AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR

DATE: DECEMBER 19, 2024

SUBJECT: FOLLOW-UP TO RECOMMENDATIONS MADE IN THE PLANNING AND BUILDING FY 2023-24 CASH PROCEDURES AND INTERNAL CONTROLS AUDIT REPORT

Our office previously issued a cash procedures and internal controls audit report of the Planning and Building office in May 2024. We recently conducted a follow-up audit to determine whether the recommendations made in our initial report were implemented. We conducted our follow-up audit in conformance with the *International Standards for the Professional Practice of Auditing*.

We determined one outstanding recommendation was implemented.

**1. Cash Handling Policy Not Acknowledged Annually by Staff**

Not all cash handlers had certified in writing they had read the County's Cash Handling Policy in the twelve months prior to the audit. The Policy requires annual reading and written acknowledgment for all cash handlers, custodians, and managers; however, management neglected to have all cash handlers sign the acknowledgement annually. Written acknowledgement by employees stating they have read the Policy helps ensure consistent countywide procedures for cash handling.

**Recommendation**

We recommend that Planning and Building have all employees who are cash handlers, custodians and managers review and sign the Policy annually.

**Follow-up Results**

The audit recommendation was implemented.

Thank you for the courteous attitude and the continued cooperation your staff provided.

Sincerely,

James W. Hamilton, CPA  
Auditor-Controller-Treasurer-Tax Collector

Cc: Wes Drysdale, Administrative Services Manager  
Lynette O'Neil, Department Administrator  
Bill Lucia, Administrative Analyst  
Lauren Solis, Auditor Analyst