COUNTY OF MADERA
OFFICE OF THE TREASURER/TAX COLLECTOR
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July 8, 2013

RECEIVED
JUL 17 2013
MADERA COUNTY GRAND JURY

TO: Susan Thompson, Partner, Hemming Morse

FM: Tracy Kennedy Desmond, Treasurer-Tax Collector

RE: Response to Internal Control Observations /Points 1-20

In re: Madera County

Internal Control Points
TREASURER TAX COLLECTOR RESPONSES ARE ITALICIZED FOR PRINT (COMPUTER FILE ITALICIZED IN BLUE)
TUESDAY JUNE 25, 2013, 3:30 PM.
MEETING: SUSAN, BECCA, TRACY, DAN, ERIC & KEVIN.

Level 1 Points – Priority

Observation: #1
The County Treasurer's cash and investments accounts are not reconciled to the general ledger on a daily basis. In fact they have not been satisfactorily reconciled to the general ledger accounts on an annual basis for at least two years.

Effect:
Failure to reconcile cash and investment accounts to the general ledger on a daily basis could result in errors or omissions in recording and safekeeping of cash which may not be detected in a timely manner.

Recommendation:
In order to provide better control over the safekeeping of cash and investments, the County Treasurer's balances should be reconciled to the general ledger on a daily basis. This would help bring to light any errors or omissions in the recording of cash and investments in a timely manner.

The cash in the County Treasury should be reconciled to the general ledger on a daily basis. To facilitate this, the cut-off of deposits should occur at the same time each day for both the Auditor Controller and the County Treasury's offices. Additionally, a greater coordination of efforts will need to be made by both offices to communicate the specific information needed and to provide the appropriate information to each other.

Response: ***The County Treasurer-Tax Collector Agrees; however posting daily to the general ledger, is of course at the discretion of the Auditor-Controller. The Treasury does balance all cash receivables and payables authorized and processed by the Auditor/Controller on a daily basis and accounts for all receivables/payables left in transit on a daily basis.***

I agree that there needs to be a common cut off time for daily work between the Auditor's office and Treasury. The Treasury has recognized a need for an early cut off years ago and implemented such a time. Currently the Treasury closes its doors to the public at 3:30 pm to account for all of the day's activity. Establishing a daily cut off time for the Auditor Controller functions is of course, at the discretion of the auditor controller. For consistency purposes I would recommend a cut off time same as the Treasury office.

It has always been past practice to balance our records of cash and investments to our primary bank and SymPro to account for all cash activity. We also perform daily, weekly and monthly reconciliations of all cash transactions. Accounts include 1 primary bank account and 9 sub accounts. Those accounts are reconciled to each bank, to the penny, with no exceptions.

> **Pursuant to government code: 26905: "the auditor shall reconcile the cash and investment accounts as stated on the auditor's books with the cash and investment accounts as stated on the treasurer's books as of the close of business of the preceding month to determine that the amounts in those accounts as stated on the books of the treasurer are in agreement with the amounts in those accounts as stated on the books of the auditor."**

Reconciling to the general ledger is always done by the Auditor Controllers office as it is their function, the Treasury does not post any transactions to the IFAS General Ledger accounting system. This separation of duties is for internal control purposes. Developing new tools and processes for a new model must be done collaboratively with procedures that must be first agreed upon, tested and proved to be effective. That requires significant testing and dual entries to ensure appropriate results and then put into practice. Failing to follow each step methodically will continue to lead to failure or worse.

This is a process I have long been encouraging. As evidenced by our recent change of the entire daily cash format and worksheet the county treasurer has used. Attached is our past and current model to account for all of the necessary detail. (Attachment I)

Differences between the General Ledger and Treasury records had to have happened after June 2009 as acknowledged in an e-mail from the then Auditor Controller, Janet Kroeger, which stated that she had balanced both records at that time. (See Attachment II)

Observation: #2
The person who is responsible for preparing the bank and investment reconciliations also counts cash presented at the County Treasury office by other County departments.

Effect:
The lack of segregation of duties could result in errors or omissions in the cash balances that would not be caught in the normal course of business. It also provides an opportunity for concealment of irregularities.

Recommendation:
The person who prepares bank and investment reconciliations should not have any cash counting responsibilities nor should they count cash as a backup to other staff.

Response: *There is a level of cross training currently being developed and implemented. We have however already moved employee (DH) from Treasury customer service Counter to a private office physically removing her from the daily cash counting function. That said it must be acknowledged that to accomplish such a division of duties and properly implement a strong level of internal controls there must be a complementary level of staffing to meet this objective. That will require more staff and is a welcome relief, keeping in mind that all treasury costs are recoverable through its treasury admin fees.*

For quite some time I have recognized the need to reclassify (DH) due to her ever growing work assignments and critical position in the treasury functions, she is in fact performing the duties at a level higher than her current classification. It also must be said that it's difficult to recommend promotions such as this due to Madera County's fiscal emergency situation. The treasury is currently relying very heavily upon extra help employees, not permanent full timers, which may or may not be the most desired solution. On one hand you save money on the other you have employees that could potentially leave at a moments' notice.

Due to 3 retirements in 2009, 2011, and 2012 all of which were 20+ year long employees including 1 resignation in 2012 (AC), it's been difficult to effectively deploy competent experienced staff to appropriately meet the demanding level of experience once available. Our goal is to constantly assign and re-assign permanent full time staff to the most difficult of tasks in order to utilize them to their best and highest capability. Unfortunately we still must rely on extra help personnel. (See Attachment III) We thank you for understanding and recognizing the extreme value of this person.

Observation: #3
Cash in the County Treasury vault is counted daily, but it is counted by the staff that also performs the daily reconciliations of cash and investments.

Effect:
This lack of segregation of duties could result in an error or omission in the counting of cash that may not be identified in the normal course of business. It also provides an opportunity for concealment of irregularities.

Recommendation:
A staff person other than the staff responsible for reconciling the cash and investment accounts should count the cash in the County Treasury vault on a daily basis, utilizing the over/short accounts as necessary.

Response: ***The Treasurer-Tax Collector agrees that a second person could assist in the cash counting of the vault daily, however, it must be noted that this would only be a limited form of accommodating such a separation and we will still be confronted with this difficulty based solely on the availability staff (again the lack of a sufficient workforce) to consistently maintain a scheduled time to accomplish this task.***

Observation: #4
Cash comes to the County Treasury office in sealed cash bags accompanied by a bank deposit slip and a County deposit permit. Currently, these sealed bags are being opened and cash and checks are recounted as recommended by the Auditor's office. When errors are noted, the appropriate department is notified and is required to follow up and resolve the difference; meanwhile they remain an exception to its daily cash accounting activity. In addition, some of the cash in the bags was previously being held in the treasury vault and used for making change and cashing checks.

Effect:
Counting cash and checks from other county departments that have already been counted, accompanied by a bank deposit slip and a County Deposit Permit, and sent in sealed deposit bags to the County Treasury for deposit increases the opportunity for errors and omissions of cash to occur. In addition, there are no efficiencies gained by counting deposit bags again at the Treasury Office when the bank will count it and report any errors. These errors will be noted within 24 hours and the same procedure that is now used by the County to follow up with the appropriate department will still be followed. This is an unnecessary step that does not increase the internal controls over the safeguarding of assets and it uses County staff resources that could be better utilized in other vital tasks.
Additionally, the opening of sealed cash bags and using cash to make change and cash checks created an environment which made the daily reconciliation of cash to the general ledger extremely difficult. In fact, this practice contributed to the inability of the County to reconcile cash and investments to the general ledger at year end.

Recommendation:
Sealed deposit bags presented to the County Treasurer's office for deposit by other County departments, which are accompanied by a bank deposit slip and a County Deposit Permit, should be deposited with the bank intact.
This will make the deposits easier to track and facilitate the daily reconciliation of the cash and investments on deposit with the County Treasurer with the general ledger.

Response: ***The Treasurer Tax Collector enthusiastically agrees. We had instituted a Bank Ready Bank Deposits procedure several years ago at the request of the former auditor controller, but to accommodate the current auditors request to open and count sealed bank bags to include in overall deposit we somewhat changed our internal procedures to the extent we could with monitoring the effect it has on current resources. The Treasurer-Tax Collector agrees and thanks you.***

With additional staffing resources this process could possibly change if warranted.

Observation: #5
The County Treasury office wrote and signed a check to essentially move funds from one general ledger account to another without notifying the County Auditor.

Effect:
The issuance of a check to affect a transaction that could have been done by journal entry caused the cash balances in the general ledger (Auditor System) to be overstated by $100,000. In addition, it caused unnecessary work to be performed by both the County Auditor and Tax Collector/Treasurer offices to identify and correct the resulting error which was noted in the year end bank reconciliation. ***(Minor for the Treasury, we knew about it., booking it was the issue)***

Although the County Treasurer has the authority and ability to make cash and investment decisions on the County and the County ~~Pools~~ **Pools' [edit]** behalf, with the ability to physically move funds electronically there should be no reason to effect a movement of funds with checks. The check stock on hand for the particular account in question is quite old and does not contain many of the safety features of newer checks.

<u>Could the "Effect" be a little more detailed to state something like:</u> ***This caused the Auditor's cash balance in the General Ledger to be overstated; however, the Treasurer's book balance was correct and writing the check didn't really cause extra work for the treasury, minor I suppose but if it's possible I would appreciate that.***

Recommendation:
Check writing is not an appropriate way to move funds from one general ledger account to another. The old check stock should be destroyed appropriately due to the lack of safeguards inherent in the old stock. Journal entries should be utilized to move money from one general ledger account to another. All checks should be initiated through the Auditor Controller's office to ensure proper recording on the general ledger. All movements of cash should be properly communicated to the County Auditor's office for proper recording in the general ledger.

Response: ***The Treasurer Tax Collector agrees that a journal entry would be a better instrument for completing an internal transaction such as funding a Grant Anticipation Note. This new procedure of the Treasury purchasing a Grant Anticipation Note began early in 2012, with discussions and an eventual approval of a Board Resolution. Had the internal processes been addressed at that time, possibly this transaction could have been accommodated differently***

As it is our desire to assist the maintenance districts and engineering departments by purchasing their various grant anticipation notes, to enable them to cash flow various county projects. These investments are allowed by law, and are reviewed on a case by case basis. The writing of this investment purchase check was to simply facilitate this Board Approved investment.

According to Government Code Section 27005, the County Treasurer can effectively make legal investments, at his or her discretion. In fact, in the past the County Treasurer has issued Investment warrants to purchase registered state warrants (IOU"s) from the state of California and are approved investment types consistent with Government Code 53601. As the state of California would not have both sides of this transaction, the County Treasurer feels that writing a check to accomplish this transaction would be an appropriate transaction. (Refer to Attachment IV for the chronological details of this transaction).

It is my hope that an appropriate mechanism can be established to facilitate an internal transaction such as this to facilitate purchases of future Grant Anticipation notes.

Observation: **#6 (cross reference also #10)**
Transient ~~Occupation~~ **Occupancy [edit]** Tax payments are received, deposited and reconciled by the same individual. Interest and penalties that are incurred are verbally communicated to tax payers.

Effect:
The lack of segregation of duties as well as the verbal communication of certain fees to operators could result in errors, omissions or concealment in the recording of payments that would not be detected in the normal course of business.

Recommendation:
An individual other than the person responsible for recording and reconciling payments of taxes should receive the payments and prepare the deposit slip. At a minimum, they could run the checks through the RTL machine for image and endorsement to create a record of checks received. The checks and the RTL balances could then be forwarded to the person responsible for inputting payments and reconciling the accounts. There should be a mechanism whereby the payments received can be reconciled to the payments entered into the Access database. This is particularly important as the interest and penalties amounts are not reported separately from the actual taxes owed. The billing and collections, including those for interest and penalties, should be reviewed, and the review should be documented on a monthly basis by management for propriety as this is a self-reporting tax that may not be accurately budgeted.

Response: ***As discussed, while there are only 75 operators the Treasurer Tax Collector agrees to endeavor establish a new procedure. In addition, Transient Occupancy Taxes (TOT) and the Business Improvement District (BID) tax returns are billed and collected quarterly. To develop a more sophisticated system that can calculate penalties and interest, issue a collection statement then track for a follow up payment will be costly; but it could be done. We will have to review the priority of such an upgrade, prepare RFP and include the county information technology department.***

As noted; the internal control for division of duties existed once before but now relies quite heavily on extra help employees in an effort to keep costs down. Again we try to assign tasks appropriately taking into consideration their employment status and their classification occasionally the same person may have been tasked with an assignment from start to finish. Even though we have limited staff errors and omissions in our opinion would have been detected when preparing quarterly reports.

Observation: #7 (cross reference #8 & #11 Business Licenses)
Business license renewals are tracked, billed and processed in the Tax Collectors office. Both the Assistant Tax Collector and a staff person have access to the database and can input new businesses as well as move businesses that are closed to an inactive status. There is no mechanism to track additions and deletions to the database.

Effect:
Because the staff person can add and delete businesses, and posts cash receipts to the database, there is greater opportunity for errors and omissions in recording revenues.

Recommendation:
The ability to change the business license database should be limited to the Assistant Tax Collector. The Assistant Tax Collector should thereafter not handle any of the tax collections.

Response: ***The Business License program currently covers approximately 2,500 business licenses that are billed and collected annually at the end of every calendar year. The Treasurer Tax Collector is currently in the process of revising the current ordinance that covers business license renewals and collection in the county code. Our current process evolved from a totally manual process to some form of automation but it is subject to improvement. There is also some clarification necessary related to who does what. For example only one person is assigned the responsibility of posting renewal payments received; that same person also enters new licenses approved by the Planning department and for which the review and license fees are separately collected and deposited independent of the Tax Collector. The Assistant Tax Collector is the author and developer of this database and is the only person allowed to re-design its structure, strategy and format. He has never handled the posting of payments or for entering new businesses.***

The role of the Assistant Tax Collector is to annually prepare the renewal roll, purge unpaid licenses which are kept separate from the roll but in the same computer folder of which can be audited at any time, much like the property tax roll, but somewhat simpler.

We are currently seeking an ordinance change to make a business anniversary start date the business license holder renewal date being the same as their approval date which will even out the workload from an annual to a monthly basis.

I hope and my goal is to lessen the role of the Assistant Tax Collector Treasurer in his role in administering these tasks. The quarterly and annual billing and daily collections are basically an account clerk function and not proper for a manager to be doing.

My Assistant (DG) only recently, November 2012, became the Assistant Tax Collector-Treasurer, from the Administrative Analyst II position. As an analyst he evaluated work flow, automated certain functions and as you know is our resident 'techy'. However since November he has also been tasked with reviewing the workflow and work load of existing staff. During this time we have discovered that many items needed to be redistributed, that requires additional cross training and is a work in progress given our level of itinerant extra help positions. Thank you for recognizing that his talents and efforts can be better utilized in other functions.

Also, any increase in the amount of oversight and monitoring and data entry, weekly, monthly etc. will need to be reflected in the amount of revenue attributed to my departments from administration for this revenue stream and evaluate any additional impacts on staffing levels.

Observation: #8 (cross reference #7 & #11)
Application and issuance of new business licenses is performed by Resource Management Agency (RMA). When an application and the related fee is received, it is deposited by RMA. The progress of the business license is tracked by RMA through a data flow system called Posse. Recently, reconciliation of the Posse system and the general ledger was given by the treasurer's office back to RMA for reconciliation as the Posse system does not interface with the general ledger and does not provide an easily reconcilable trail between cash collected and licenses issued. Currently, there is not a monthly reconciliation between new licenses issued, deposits and revenue recorded in the general ledger.

Effect:
This could lead to discrepancies in licenses issued and revenue received that would not be discovered in the normal course of business.

Recommendation:
New license applications, deposits and new licenses issued should be reconciled to the general ledger on a monthly basis.

Response: ***The Treasurer-Tax Collector agrees that with the "RMA Planning Department" doing their own collection at the time licenses are reviewed and approved, has presented its own challenges for balancing. That has complicated the process for my Assistant. They, Planning and Auditor, may have to review this point and come up with a procedure and/or mechanism, with participation that can accommodate both monthly and annual reviews as it pertains to general ledger reconciliations.***

I sent an email to the Planning Department requesting a quick response for this document. (See Attachment V)

Each department is required monthly to submit a settlement of all of their collections to the Auditor Controller. Currently , the Tax Collector monthly settlements are balanced to the Auditor Controller records and summary reports generated from our database which have been done timely and correctly in order to balance our cash receipts.

Currently and only on an annual basis are business licenses renewed. That is when the review of valid and expired licenses takes place for approximately 2,500 existing business. To further complicate the Business License issue; last year the state of California implemented a $1.00 dollar surcharge (SB1186) on every new and existing business. The collection had to be handled separately by a 70/30 (percent) split then reported and paid to the State at the end of each quarter.

Again, an increase to the Tax Collector's budget may be necessary to recover administrative costs associated with the additional duties for the oversight required to track and report and process payments to the State. That will absolutely be needed if we are to implement additional levels of oversight that ultimately include the monitoring and reconciliation process.

Observation: #9 (cross reference #1 & #14 General Ledger items)
The quarterly review of interest income per SymPro (investment tracking software program) to the general ledger is inadequate. The reconciliation consists of comparing the deposit permits to the general ledger. The deposit permits are the document that is used to post to the general ledger.

Effect:
This has the effect of auditing the input document to the output instead of auditing the interest reported by third parties to interest recorded in the general ledger. Interest should be reconciled to the general ledger from the source documents, such as the broker statements to ensure proper recording.

Recommendation:
The quarterly reconciliations should reconcile the interest recorded in the general ledger, as well as amortization of premiums, to third party documentation, for example the investment statements. (Perhaps the review should be monthly to review the statements to SymPro)

Response: ***Upon re-reviewing our internal process with staff we discovered that in fact two different levels of reconciling are taking place. First, interest received on investments is reviewed and certified against the monthly statements received from the custodial bank and SymPro records (by DH). This includes the full amount of interest received. The second level of reconciling takes place when the assistant tax collector-treasurer compares the deposit permits to the general ledger posting.***

A new agreed upon procedure was discussed on July 1st and 2nd for this new fiscal year with the Auditor and Assistant Auditor-Controller to accomplish a devising a new procedure while still keeping the integrity of our daily balancing routine intact.

Implementing this specific process will affect all other daily procedures in the treasury department and the Auditor-Controller concurs it may increase the type of documentation /ledgers that Treasury staff will have to maintain for registering activity. It is our hope that once the new procedure becomes workable that the intent of its performance will eliminate any duplication and redundancy.

Clearly this will be a work in progress and may require the creation of additional working papers to keep track of daily and quarterly investment detail; before full implementation it will be tested monthly for accuracy over the next few quarters prior to becoming the new model for best practices.

As per GC 26905, the Treasury is willing to provide additional documentation as requested to the Auditor to perform reconciliations to the general ledger.

Level 2 Points:

Observation: **#10 (cross reference #6 Transient Occupancy Taxes)**
Access is a shared database that is used to track Transient ~~Occupation T~~ Occupancy Taxes [edit] and can be accessed by anyone in the Tax Collectors office.

Effect:
Unauthorized access to the data could result in inappropriate manipulation of the data.

Recommendation:
Access should be limited to "Read Only" for employees that are not authorized to make changes or responsible for recording of transactions to the data base.

Response: ***The Treasurer and Assistant Treasurer-Tax Collector agree with the vulnerability of open access. We will immediately recruit the assistance of our IT department to evaluate how to set up a "Read Only" designation and/or how to suppress and block payment data from being edited.***

Observation: **#11 (cross reference #7 & #8 Business Licenses)**
The general ledger revenue for business licenses is not reconciled to the number of business licenses issued.

Effect:
Revenue collected for business licenses may not be properly recorded in the general ledger.

Recommendation:
Reconciliation on a monthly or quarterly basis would help insure that all revenues are properly recorded for business licenses issued by the County in a timely manner.

Response: ***Current procedures are to only account for payments collected and deposited when received at the Tax Collector's office. The RMA (Planning Department) is also a collection point but for new Business License Applications and is required to deposit all payments transacted at their counter each day.***

Those deposits were never segregated from the Tax Collector's fund until recently when it became impossible for the Assistant Tax Collector to reconcile both the Tax Collector work and deposits from the Planning department.

Our annual renewal process which occurs in December (we are hoping to change) is when the detailed review of paid, valid and expired licenses occurs. Our hope is that with our upcoming Ordinance change we can create or level the workload out so that it does not occur all at once especially since it occurs at the same time property taxes are due (December). This renewal cycle, based on date of purchase rather that once per year, may cause additional work which may result in an increase of costs to administer.

Observation: #12
Cash on hand in the County Treasurer's vault is not kept on an impress basis, utilizing the over/short account as needed.

Effect:
Amounts over or under the established amount kept in the vault, currently $4,500, are not properly accounted for in the general ledger. The account is currently at $4,400 as an error was made and the balance has not been returned to its established amount of $4,500. Use of the over/short accounts would help facilitate reimbursing the account.

Recommendation:
Cash on hand in the County Treasurer's vault, which is kept for making change, should be kept on an impress basis and reconciled daily, utilizing the over/short account as necessary.

Response: ***The County Treasurer agrees that the cash in the vault is part of the overall pooled cash in the treasury and is not an impress (OR imprest) petty cash account. The County Treasurer Tax Collector has reduced the amount of Cash in Vault as requested by the County Auditor Controller in September of 2012 in an effort to be cooperative and accommodate her request to eliminate a" moving target" of cash in vault and strengthen internal controls. This reduction in cash in vault occurred several months ago and has been in practice since September 2012.***

The County Treasurer does have access to an existing over/short account which is assigned to the Tax Collector office function which was utilized to correct this shortage. The Tax Collector Over/Short fund was specifically designed and created for Tax Collection payment over and shortages according to Revenue and Taxation Code.
Because the County Treasury had not experienced a significant shortage in many many years, we were unsure how to handle and properly book the $100.00 shortage; therefore we requested assistance from Auditor Controller staff to advise us in properly accounting for and recording this adjustment.

To that end we have requested assistance from the Auditor's office to establish an Over/Short impress (OR imprest) fund for the Treasury department.

Observation: #13
Off-site depositors prepare deposits irregularly sometimes as infrequently as monthly.

Effect:
Keeping cash on hand for long periods of time increases the likelihood of errors or irregularities in the safekeeping of the cash. It also can cause the accounting and reconciling of that cash to the general ledger to be much more difficult.

Recommendation:
Off-site depositors should prepare deposits regularly, no less than weekly.

Response: ***The County of Madera has a uniform cash handling policy adopted by the Board of Supervisors in 2001. Additionally treasury staff, on occasion, has conducted on-site training to outlying county offices that collect payments on how to properly safeguard cash and process deposits, including outlying mountain offices and the City of Chowchilla's Library.***

I'm not exactly sure what The Treasurer Tax Collector's role is in this? I think depositors are required to report to auditor's office as they are the first step in the depositing process. First they must get a numbered Permit to Deposit from the Auditor Controller and our role is to count the checks and cash to certify the deposit amount is correct before signing off.

We have created a Uniform Cash Handling Policy and conducted training to various departments including credit card processing at the Bass Lake Sheriff's office, Animal Services, Resource Management Agency (all 15 departments) and Revenue Services. (See Attachment VI)

The County Treasurer agrees that additional training may be required for various outside depositors and that it could be performed by the County Auditor Controller if they so desire.

Observation: #14 (cross reference #9 General ledger reconciling)
Purchases and sale of investments are tracked in SymPro (an investment tracking program) however; they are not reconciled to the general ledger on a monthly basis

Effect:
The amounts shown on the general ledger on a monthly basis may not properly reflect investments on hand. Additionally, the County does not properly reflect discounts and premiums on investments in the general ledger which can distort the carrying values of investments.

Recommendation:
Investments, just like cash, should be reconciled to the general ledger on a daily basis. Discounts and premiums should be properly reflected on the general ledger.

Response: ***The treasurer does not enter investments directly onto the general ledger...nor does the treasurer know how that could be accomplished, nor is this a treasury function. The treasurer reconciles cash daily to its banks. Cash***

includes all active account transactions, school district transactions, debits and credits, sometimes over 200 transactions per day, and includes the vault cash and investments.

Changes to our daily routine will require input from the Auditor to evaluate what form this new model will look like. This is a substantial undertaking and will require additional staffing.

As previously stated I have long been a proponent of creating a better working model as evidenced by the 2012 email regarding our Daily Cash routine.

On, July 3, 2013, we submitted a request to Admin and HR to start the recruitment process based on discussions, recommendation and support held by both the internal and external auditors (Hemming Morse). (See Attachment VII)

Level 3 Points:

Observation: #15 Security Cameras
There is a security camera located near the vault in the County Treasurer/Tax Collector's office that is currently pointed at the vault door. This camera had been covered until recently, rendering it useless as a security device. The camera is now uncovered and operational with a visual feed to the Treasurer's office.

Effect:
The existence of the video camera may act as a deterrent to theft however; it is not very effective to the extent that it is not effectively monitored.

Recommendation:
To the extent that this video camera is intended to be used to monitor activity in the County Treasurer's office, the objectives of its use need to be established and a department or individual that is not associated with the County Treasurer/Tax Collector's office should be in charge of monitoring it.

Response: *While I appreciate this item being in the lowest of priority level of the Hemming Morse report, I believe I must elaborate on the circumstances surrounding this situation that made headlines and continue to do so.*

While I do not believe that this is an appropriate venue for discussions of the limited surveillance we do have, I have been forced to comment as this issue was made public by the county's administrative officer and the auditor controller. This should have been, and frankly I thought was, already addressed and handled internally, but for some reason has now become a well –publicized issue. That deserves my comments to set the record straight:
I'm wholeheartedly in favor of making my offices more secure to protect my staff.

Over the years I have questioned who and why other people have 24 hour access to my department, other than my staff, and was never provided an answer. The C.A.O. for example has unlimited access to my department, for what reason is unknown? During business hours staff is available to assist and in case of emergency security, maintenance and/or fire personnel would no doubt be able to access.

In the past I have also questioned overall government center security regarding the staircases and the elevators. Upon moving into this building in 2007 I insisted on installing an electric door buzzer on the treasury side, so that entry could be controlled and allowed only upon showing proper identification. In the tax collectors office, after many requests, I was finally allowed to put glass barriers up to keep customers a safe distance from our clerks that are waiting on them. Our counters are lower than most departments in this building and anyone could have easily climbed over. The glass barrier, once installed, is a least a deterrent to that.

Several years ago, I had an additional camera installed on the tax collector's customer service counter so that we could monitor walk in traffic and assign customer service as necessary. We also have several panic buttons that are at the customer service counters and are tested periodically to ascertain who and how long it takes to get law enforcement to respond. I have to say, however, that I feel our best security has been our onsite security guards. We have their phone numbers and have used them. During heavy tax collection periods, they will physically stand in our department lobby and they have assisted us many times with incidents. They truly have been our first line of defense so employee security is clearly a high priority of mine.

I believe the positioning of the security camera pointing to the vault door was not well thought out at the time it was installed. The Treasurer agrees that the camera 'may ' act as a deterrent to theft; but only to internal staffing, once a perpetrator jumps the counter, that doesn't even have any type of glass barrier, all bets are off and all we have left is a

panic button. Understanding theft could occur from the internal staff, however due to limited vault access and constant cash verifications – any shortages should be detected within one day.

At the time the cameras [s] were installed in 2007 there were discussions of the intent of the camera located in the treasurers department, its purpose, who or what department would be tasked with the monitoring of the camera and what kind of picture was being recorded, if any. Would they be monitored 24 hours per day? Who would be monitoring them? Is this a county employee or a security company? Are the images recorded? These cameras were installed as part of the building project during 2006 -2007. In 2007 nobody had the knowledge of where the camera feed went to or even if the camera was operable. Absent any answers, I covered the camera in 2007.

On February 5, 2013 Eric Fleming, County Administrative Officer, came to the office of the treasurer and stated 'the board was worried about your camera being covered and wanted me to remove it". I said "Okay" and walked with him to the camera site, where he then reached up and removed the cover. Again I asked Mr. Fleming "Do you know who gets the video? " Fleming responded, either IT (info tech) or the Sheriff." I also asked him that day "Could you find out for me" and without saying another word Mr. Fleming walked out of the office.

I was under the impression that this would be the end of that story and I would soon be advised as to who received the video feed or to what company the video feed was going. Little did I know that this too would be used as an attempt to needlessly tarnish my reputation in public, even though I cooperated completely in allowing him to remove the cover! I subsequently discovered that the CAO has had full access all along to the surveillance camera equipment in my department.

Prior to that day, the camera's operating condition was not discussed for nearly 6 years. When the camera cover issue was again brought up on the February 26, 2013 letter to the Board, presumably to further antagonize me; I was shocked as I thought it had been resolved some 21 days prior. After the February 26, 2013Board meeting it became apparent that I would have to conduct my own investigation if I were to find out anything about this camera and its operation. (See Attachment VIII)

Additionally, unless and until the county were to hire personnel specifically to monitor the camera feed, report any potential breaches and maintain back up videos for archival purposes, its value is limited.

Observation: #16
The Treasurer's office maintains a list of Non-Sufficient Funds (NSF) checks. The information for the NSF checks is sent to the appropriate departments for follow-up and the Auditor Controller's office is notified so the appropriate adjustments can be made in the general ledger. There is no process on either the Treasurer's office or the Auditor Controller's office to follow up with departments on the NSF checks.

Effect:
Without timely follow up on NSF checks, the likelihood of resolution and ultimately proper payment of the obligation decreases. This could have a negative effect on the revenues of the County.

Recommendation:
A policy should be established to ensure timely, proper follow up with appropriate departments for their NSF checks.
Response: ***The treasurer 's office currently returns all non sufficient fund checks back to the agency that deposited it as an appropriate accounting move which was approved by an agreed upon procedure with the previous Auditor-Controller.***

In the course of business treasury personnel formerly processed negative permit deducting the exact amount from the depositing department's funds. This process was changed by the Auditor Controller and now Treasury staff sends a notice to the Auditor Controller for them to process a journal entry to appropriately charge the department.

The treasurer does not collect on bad checks that are not their function; we operate as the bank and notify the offending department of the situation. All returned checks to the Tax Collector's office, if not collected, will cause the property tax payment the bad check represented to be reversed, according to Revenue and Taxation Code. Therefore there will not be any outstanding returned checks for property tax collection payments.

However, Karl Noyes, Assistant Auditor-Controller, was inquiring about this item and Dan Garcia, my Assistant, has accommodated him to provide the detail records kept by the treasury so for the auditor's use so they can develop a system of monitored collections county-wide.

Observation: **#17 (This item was questioned at meeting?)** – **THIS ITEM HAS SINCE BEEN REMOVED PER SUSAN THOMPSON IN AN e-MAIL MESSAGE DATED: 7/10/2013, 11:21 AM.**
Deposit permits are input to an excel spreadsheet daily for the Tax Collector's Office.

Effect:
This is a redundant step that compares deposit permits to ~~Mega-Byte~~ **Megabyte [edit]**/RTL system. The ~~Mega-Byte~~ **Megabyte [edit]**/RTL output is the source of the deposit permit and preparing the Excel spreadsheet does not increase controls and is an unnecessary step.

Recommendation:
Elimination of redundant processes that do not enhance the system of internal controls will free up employee resources for other vital functions.

Response: ***This appears to be based on an observation but it's not very precise.***

If it's referring to tax payments the purpose of recording deposit details in a spreadsheet is for use when reporting to the auditor a monthly settlement report. It is a necessary procedure that certifies what the Megabyte tax system collects compared to our deposit permits and includes Journal Entries and NSF's. This practice insures that the tax apportionments are not over or under paid to taxing agencies. If however this is an observation regarding some other office practice we will need further clarification before we could respond.

Observation: **#18**
The County Treasurer's office recently discontinued their practice of cashing checks for other County departments.

Effect:
Various County departments may need to cash checks at outside financial institutions. This could cause the county to incur additional banking fees.

Recommendation:
The County should consider entering into negotiations with Bank of America, the County's current bank, regarding check cashing fees. Once the County is able to reconcile cash held by the County Treasury to the general ledger on a daily basis, it can revisit the policy of check cashing for County departments by the County Treasury.
Additionally, there may be certain recurring situations where the most prudent action is to have the County Treasurer cash certain department checks. In this case, the Treasurer and Auditor's offices should agree on acceptable protocol for these situations.

Response: ***Pursuant to the request made by the Auditor Controller in September 2012 we discontinued cashing any and all county warrants, be it payroll, county petty cash or any kind of auditor issued check.***

However, the Treasurer-Tax Collector agrees that cashing county warrants is supported and codified by California Government Code 29820. The county treasurer agrees it can and has establish guidelines and protocols for cashing County issued warrants as necessary in the course of county business. In fact we have posted a guideline on the treasury counter regarding cashing of petty cash warrants issued by the county auditor. (See Attachment IX)

Observation: **#19 (Policies and Procedures)**
Policies, procedures, job descriptions and processes in the County Treasurer/Tax Collector's offices should be properly documented.

Effect:
Without proper and thorough documentation of the policies, procedures, job descriptions and processes within the County Treasurer/Tax Collectors office, each time a person leaves a position, much of the information they possessed regarding their job duties leaves with them, causing an inefficient and sometimes incomplete retraining of their replacement.

Recommendation:
Each position within the County Treasurer/Tax Collectors office should have a detailed written job description which specifies their responsibilities. In addition, the processes and procedures that must be performed to perform their job duties should be documented. Although there are certain procedures that have been documented in this department, they need to address not only the procedures, but the processes and responsibilities that accompany them, associating them to the appropriate job description.

Response: *The Treasurer-Tax Collector agrees that the more policies and procedures we can improve on and document the better for our departments, given the recent retirements (2009, 2011 and 2012) that we have endured. The Assistant Treasurer-Tax Collector provided a quick handbook to the Hemming Morse auditors for their review, which they found helpful. We can certainly expand on that and update our own policies and procedures that we maintain on both the treasury side of the office and the tax collector side of the office. Current policies and procedures are living documents and must be updated as the circumstances or technology changes. And the Treasurer-Tax Collector strives to do that.*

Verbal Observation Undocumented #20: It was observed that more than once the Daytime door to the Vault was left ajar.

Response: *Regarding the locking of glass vault door which we refer to as the "Daytime Door". It seems like it's always locked when I walk by, but given that said, we do keep our keys to the equipment room and the conference room and the treasury storage room, so possibly a staff person could have left the door ajar while unlocking one of those rooms?*

Maybe the county engineering /maintenance mechanics could put a self closing spring loaded arm to push it closed automatically? In the meantime we have made sure the glass door is always closed.

MADERA COUNTY TREASURER'S CASH COUNT				
	6/29/2011	ADDITIONS	DISBURSED	6/30/2011
CHECKS	845,642.95	279,381.58	845,642.95	279,381.58
20.00	8,840.00	300.00	8,840.00	300.00
10.00	1,040.00	1,040.00	1,040.00	1,040.00
5.00	445.00	525.00	445.00	525.00
1.00	76.00	144.00	76.00	144.00
0.50	0.00	0.00	0.00	0.00
0.25	19.75	3.50	19.75	3.50
0.10	9.90	3.90	9.90	3.90
0.05	3.90	1.20	3.90	1.20
0.01	0.80	0.36	0.80	0.36
SUBTOTAL CHECKS & CASH	856,078.30			281,399.54
CHECKBOOK BALANCE	19,258,980.09	3,039,632.11	567,216.54	21,731,395.66
VAULT = (CASH & RETURNED CHECKS)	34,514.50	2,899.50	127.50	37,286.50
EMPLOYEE PAYROLL	494,580.74	203,972.93	313.99	698,239.68
SUB TOTAL CHECKBOOK	19,788,075.33			22,466,921.84
SUB TOTAL INVESTMENTS	275,659,221.33	0.00	2,000,000.00	273,659,221.33
TOTAL CASH/CHK, BOOK & INVSTMENTS	296,303,374.96			296,407,542.71
MISC ADJUSTMENT #1	0.00			0.00
MISC ADJUSTMENT #2	0.00			0.00
MISC ADJUSTMENT #3	0.00			0.00
TOTAL TREASURY POOL	296,303,374.96	3,527,904.08	3,423,736.33	296,407,542.71
YESTERDAY'S GRAND TOTAL	297,510,123.87			296,303,374.96
DEPOSIT PERMITS	2,173,610.58	467,725.35	2,173,610.58	467,725.35
JOURNAL ENTRIES	(3,380,359.49)	3,380,359.49		(363,557.60)
AUDITOR WARRANTS - ZBA			321,103.13	
CHOWCHILLA CEMETERY - ZBA			762.75	
WELFARE - EBT			4,928.71	
EMPLOYEE PAYROLL -EFT/PD CKS			313.99	
SCHOOL COMMERCIAL - BOOK				
SCHOOL PAYROLL - BOOK				
WELFARE - BOOK			6,261.00	
MADERA CEMETERY - BOOK				
FIRST 5 PAYROLL - WIRE				
FIRST 5 RETIREMENT - WIRE				
ALVARADO ACADEMY - WIRE				

WORKERS COMP - WIRE			30,188.02	
DENTAL - WIRE				
MOSQUITO ABATEMENT PAYROLL - WIRE				
DENTAL - WIRE				
MARIPOSA SCHOOLS - WIRE				
DEFERRED COMP - WIRE				
CENTRAL VALLEY SUPPORT SERV - WIRE				
JEM RESOURCE PARTNERS - WIRE				
PUBLIC GUARDIAN - WIRE				
AOC - WIRE				
SCHOOL POSTAGE-WIRE				
SOUTHERN YOSEMITE VISITOR'S --WIRE				
PTC Lease pymt-mcoe--WIRE				
CSCRPA 2010--WIRE				
hidden lakes maint dist 1--WIRE				
DAILY TOTAL		0.00	363,557.60	
	296,303,374.96		TODAY'S GRAND TOTAL	296,407,542.71

PROOF		104,167.75	104,167.75	
	DATE 06/29/2011			DATE 06/30/2011

MADERA COUNTY TREASURER'S DAILY TRANSACTION ACTIVITY AS OF 6/28/2013

ACTIVE ACCOUNT (Checkbook)			
BEGINNING BALANCE	55,682,274.29		
Deposits	2,491,155.11		
Debits	(4,582,701.02)		
ENDING BALANCE	53,590,728.38		
		Sub Total Checkbook	**53,590,728.38**
CASH ON HAND (Vault)			
BEGINNING BALANCE	4,500.00		
Cash In	0.00		
Cash Out	0.00		
ENDING BALANCE	4,500.00		
		Sub Total Cash on Hand	**4,500.00**
Treasury Deposit in Transit			
Checks	1,394,334.65		
Cash	18,292.45		
		Sub Total Deposit in Transit	**1,412,627.10**
INVESTMENT POOL DETAIL			
DEPOSITORY ACCOUNTS			
Opening Balance	34,960,188.67		
Deposits/Withdrawals	0.00		
Ending Balance	34,960,188.67		
CERTIFICATE of DEPOSITS			
Opening Balance	3,500,000.00		
Deposits/Withdrawals	0.00		
Ending Balance	3,500,000.00		
SAFEKEEPING INVESTMENTS			
Opening Balance	191,938,243.47		
Principal Sale/Call	0.00		
Principal Purchase	0.00		
Accrued Interest	0.00		
Amortization Earned	0.00		
Ending Balance	191,938,243.47		
		Sub Total Investments	**230,398,432.14**
		TOTAL TREASURY	**285,406,287.62**

DAILY TRANSACTION DETAIL

		BEGINNING BALANCE	287,633,705.86
		Cash Receipts	2,355,282.78
AUDITOR WARRANTS - ZBA		220,819.88	
CHOWCHILLA CEMETERY - ZBA			
NSF CK-CHARGEBACK			
WELFARE - EBT		7,189.05	
tc-opc frm 5/2/cja122297			
EMPLOYEE PAYROLL - BOOK		1,896.49	
SCHOOL COMMERCIAL - BOOK		4,316,999.27	
SCHOOL PAYROLL - BOOK			
WELFARE - BOOK	5,918.23		
MADERA CEMETERY - BOOK	20,033.58		
FIRST 5 PAYROLL - WIRE			
FIRST 5 RETIREMENT - WIRE			

ALVARADO ACADEMY - WIRE			
ALVARADO/FCS ADV - WIRE			
WORKERS COMP - WIRE			
DENTAL - WIRE	9,844.52		
MOSQUITO ABATE W/D - WIRE			
MOSQUITO PAYROLL - WIRE			
MARIPOSA SCHOOLS - WIRE			
DEFERRED COMP - WIRE			
CVSS - WIRE			
JEM PARTNERS - WIRE			
GOLDEN VALLEY USD--WIRE			
Madera county '06 T/A ser. 10			
CSCRPA 2012/US BANK			
CHOW COP 2006--WIRE			
SOUTHERN YOSEMITE VISITOR BUREAU--WIRE			
local initiative supp/E. ALVARADO--WIRE			
AOC TRIAL COURT - WIRE			
Adjustments +/-			
		Total Journal Entries	4,582,701.02
AS OF **6/28/2013**		**ENDING BALANCE**	**285,406,287.62**

Tracy Kennedy

From:	Janet Kroeger
Sent:	Monday, August 17, 2009 4:17 PM
To:	Tracy Kennedy
Cc:	Daniel Garcia; Dawn Hunt; Kim Elland
Subject:	RE: reconile

Thanks Tracy.

: think this will work. Dan has been helping us as time permits and I think we finally have all of the details worked out.

We will try it in test and before loading it into live. We will demonstrate the process to you and make sure you do not have any concerns.

j

From: Tracy Kennedy
Sent: Monday, August 17, 2009 4:13 PM
To: Janet Kroeger
Cc: Kim Elland; Daniel Garcia; Dawn Hunt
Subject: RE: reconile

Yes,

Dawn just told me they found the problem had something to do with stale dates of Auditor warrants. That is good and thanks for letting Eileen play our balancing game.

. or the Automatic Reconciling: that is for the Active Account and to tie it in with the cash count?

.f Dawn and Dan are on board, I'm certainly in favor of it.

Let the games begin....

Tracy Kennedy
Treasurer-Tax Collector Madera County
559-675-7713
tkennedy@madera-county.com

Think before you print

5-30-09

From:	Janet Kroeger
Sent:	Monday, August 17, 2009 3:35 PM
To:	Tracy Kennedy
Cc:	Kim Elland; Daniel Garcia
Subject:	

Hi Tracy:

Before I get too far out in front, I wanted to run a couple of things by you.

First, it appears that the bank, gl and cash are reconciled through May 2009 and we expect to have June 2009 reconciled shortly. YAHOO!

Second, I would like your permission to "test" an automatic reconciliation process in the Test environment. If it works the way we expect it to, neither your staff or mine will be tasked with the reconciliation any longer. It will be done automatically so that the cash, GL and Bank tie out with non clearing items showing up in a report.

ATTACHMENT III

STAFFING IN 2011

- Tracy Kennedy Desmond
Treasurer—Tax Collector
Since—4/1/1987
- Selina April
Assistant T/TC
Since – 10/19/1987
- Cindy Diaz
Sr. Acct. Clerk
Since – 3/1/1989
- Dawn Hunt
Account Tech II
Since – 6/26/1989
- Dan Garcia
Admin. Analyst II
Since – 6/1/2001
- Stephanie Norton
Account Clerk II
Since – 11/1/2002
- Evelia Mundanca
Account Clerk II
Since – 4/1/2006
- Alejandra Camarillo
Account Clerk II
Since – 2/14/2008
- Gina Brumley
Account Tech II
Since—7/1/2010

COMBINED YEARS OF EXPERIENCE = 120

STAFFING IN 2013

- Tracy Kennedy Desmond
Treasurer—Tax Collector
Since—4/1/1987
- Dawn Hunt
Account Tech II
Since – 6/26/1989
- Dan Garcia
Admin. Analyst II
Since – 6/1/2001
- Stephanie Norton
Account Clerk II
Since – 11/1/2002
- Evelia Mundanca
Account Clerk II
Since – 4/1/2006
- Gina Brumley
Account Tech II
Since – 7/1/2010
- Extra Help
Melanie Butler
Since – 3/8/2012
- Extra Help
Cynthia Jones
Since—8/9/2012
- Extra Help
Lucia Berlin
Since – 3/25/2013

COMBINED YEARS OF EXPERIENCE = 85

18

GRANT ANTICIPATION NOTES REGARDING FUNDING

It was only because of necessity that the County Treasurer issued a check purchasing the Grant Anticipation note from the county maintenance district. Had there been some follow up or direction given from the Auditor Controller the transaction could possibly have occurred in another fashion. The County Treasurer did not feel that holding up the funding that was requested by the county maintenance district should not be completed because of lack of communication and professionalism and follow up from the Auditor Controller.

Sample Emails from May 2012 - December 2012

5/1/2012 email from Kheng Vang regarding the MD 42 GAN funding.

7/9/2012 email information regarding MD 42 GAN (Auditor on email stream)

On 12/4/12 (Tuesday) Treasurer notified the auditor that the board approved the resolution allowing us to invest in grant anticipation note and stating, "We need to figure out how to handle this logistically"

12/4/12 3:29 pm, e-mail from Auditor Controller, she will review with her staff.

12/5/12 7:52 am, e-mail from Treasurer asking if we know what fund to deposit proceeds in?

12/5/12 7:55 am, (Wednesday) e-mail to Kheng Vang, County Engineer, stating we could probably get it done this week.

12/5/12 12:17 pm, e-mail from Julio Padilla, Engineering department; requesting assistance

12/5/12 12:18 pm, e-mail from Auditor Controller stating needing new account and needing to discuss this with her staff.

12/11/12 (Tuesday,) e-mail to or from Julio asking for assistance in processing accounts. [1 week]

12/12/12

12/13/12

12/14/12

12/15/12 No communication during this period

12/16/12

12/17/12

12/18/12

12/19/12

12/20/12 County Treasurer issued active account purchase of Grant Anticipate note in the amount of $100,000

Tracy Kennedy

From:	Kheng Vang
Sent:	Tuesday, May 01, 2012 8:04 AM
To:	Marcia Hall; Tracy Kennedy
Cc:	Douglas Papagni; Eric Fleming
Subject:	GANs for MD-42
Attachments:	GANS Funding May 22, 2012 brd ltr.docx

Marcia/Tracy,

Here is my draft board letter for the GANs funding for MD-42. Let me know if you have any comments or want to add anything.

I plan to take this to the board on May 22, then follow up with the actual board action to authorize signing the state agreement on June 5.

Thanks,

Ken V

Kheng Vang, P.E.
County Engineer
Resource Management Agency
Department of Engineering and General Services
2037 West Cleveland Avenue
Madera, Ca 93637
Office (559) 675-7817 EXT 3351
Mobile (559) 718-1399
Fax (559) 675-7639

Tracy Kennedy

From: Tracy Kennedy
Sent: Monday, July 09, 2012 12:16 PM
To: Kheng Vang; Marcia Hall
Cc: Daniel Garcia; Julio Padilla
Subject: RE: Image of My Draft Application MD-42

Tracking:

Recipient	Read
Kheng Vang	
Marcia Hall	
Daniel Garcia	Read: 7/9/2012 12:16 PM
Julio Padilla	Read: 7/9/2012 12:16 PM

LOAN REQUEST
ash Advance FORM.

From: Kheng Vang
Sent: Monday, July 09, 2012 7:26 AM
To: Tracy Kennedy; Marcia Hall
Cc: Daniel Garcia; Julio Padilla
Subject: RE: Image of My Draft Application MD-42

Tracy, please forward a blank form to me to start the process. Let me know if there is anything else we need to do.

I expect that the state should be getting back to us in about a month or so, and that is when we would get started an need the funds to be available.

thanks

Ken V

Kheng Vang, P.E.
County Engineer
Resource Management Agency
Department of Engineering and General Services
2037 West Cleveland Avenue
Madera, Ca 93637
Office (559) 675-7817 EXT 3351
Mobile (559) 718-1399
Fax (559) 675-7639

From: Tracy Kennedy
Sent: Friday, June 29, 2012 12:53 PM
To: Kheng Vang; Marcia Hall
Cc: Daniel Garcia
Subject: Image of My Draft Application

Tracy Kennedy

From: Marcia Hall
Sent: Tuesday, December 04, 2012 3:29 PM
To: Tracy Kennedy
Cc: Darla Weiser; Karl Noyes
Subject: RE: M D 42 Grant Anticipation Note.

I will review with my staff and let you know if there is anything else we need. I would like to record it separately on IFAS as a GAN.

Thanks
Marcia

From: Tracy Kennedy
Sent: Tuesday, December 04, 2012 3:17 PM
To: Marcia Hall; Karl Noyes; Kheng Vang
Cc: Daniel Garcia; Doug Nelson
Subject: M D 42 Grant Anticipation Note.

The Board approved the new Resolution bringing the date current for this Grant Anticipation Note.

Since this is the very first time we have done anything like this, we need to figure it out logistically.

1. The Treasury can purchase the Grant Anticipation note for $100,000 and record it in our investment portfolio
2. Based on quarterly pooled interest rate as of 9-30-12 (.752%) and plus the 50 bp, would make the interest rate 1.252%
3. The Term of the Investment will be 6-30-14 as stated on the original check list. Interest can be paid upon maturity.....or if they get their project done early and get the grant funding., ...they can essentially...."call" the investment and pay the principle and interest to date and close the investment.
4. What else?

Thank you;

Tracy
Tracy A. Kennedy,
Madera County Treasurer-Tax Collector
200 West 4th Street, 2nd Floor
Madera, CA 93637
(559) 675 - 7713

Tracy Kennedy

From: Kheng Vang
Sent: Tuesday, December 04, 2012 4:57 PM
To: Tracy Kennedy; Marcia Hall; Karl Noyes
Cc: Daniel Garcia; Doug Nelson; Julio Padilla
Subject: RE: M D 42 Grant Anticipation Note.

How long does it take before I can have the funds. I need to pay bills that have accrued?

Thanks,

Ken V

Kheng Vang, P.E.
County Engineer
Resource Management Agency
Department of Engineering and General Services
2037 West Cleveland Avenue
Madera, Ca 93637
Office (559) 675-7817 EXT 3351
Mobile (559) 718-1399
Fax (559) 675-7639

From: Tracy Kennedy
Sent: Tuesday, December 04, 2012 3:17 PM
To: Marcia Hall; Karl Noyes; Kheng Vang
Cc: Daniel Garcia; Doug Nelson
Subject: M D 42 Grant Anticipation Note.

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4. What else?

Thank you;

Tracy

Tracy A. Kennedy,
Madera County Treasurer-Tax Collector
200 West 4th Street, 2nd Floor

Hi Ken,

What account number should those funds be deposited in ?

We can probably get that done this week. We just need to figure out how to record the rest of the transaction for our records.....investments and accounting.

Thanks,
Tracy

On Dec 4, 2012, at 4:57 PM, "Kheng Vang" <kheng.vang@madera-county.com> wrote:

How long does it take before I can have the funds. I need to pay bills that have accrued?

Thanks,

Ken V

Kheng Vang, P.E.
County Engineer
Resource Management Agency
Department of Engineering and General Services
2037 West Cleveland Avenue
Madera, Ca 93637
Office (559) 675-7817 EXT 3351
Mobile (559) 718-1399
Fax (559) 675-7639

From: Tracy Kennedy
Sent: Tuesday, December 04, 2012 3:17 PM
To: Marcia Hall; Karl Noyes; Kheng Vang
Cc: Daniel Garcia; Doug Nelson
Subject: M D 42 Grant Anticipation Note.

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3. The Term of the Investment will be 6-30-14 as stated on the original check list. Interest can be paid upon maturity.....or if they get their project done early and get the grant funding., ...they can essentially...."call" the investment and pay the principle and interest to date and close the investment.
4. What else?

Tracy Kennedy

From:	Julio Padilla
Sent:	Tuesday, December 11, 2012 1:42 PM
To:	Marcia Hall
Cc:	Karl Noyes; Kheng Vang; Doug Nelson; Tracy Kennedy
Subject:	RE: M D 42 Grant Anticipation Note.

Hi Marcia,

Just following up on the account needed for the depositing of the revenue pertaining to the GANTs. Has there been an account created?

Thank you.

JulioP
Madera County - Engineering Dept.

From: Marcia Hall
Sent: Wednesday, December 05, 2012 12:19 PM
To: Julio Padilla
Cc: Karl Noyes; Kheng Vang; Doug Nelson; Tracy Kennedy
Subject: RE: M D 42 Grant Anticipation Note.

I think we will create a new account number for this kind of transaction. I need to discuss with my staff. Our office will create the new account number and let you know the status.

Thanks,
Marcia

From: Julio Padilla
Sent: Wednesday, December 05, 2012 12:17 PM
To: Tracy Kennedy; Kheng Vang
Cc: Marcia Hall; Karl Noyes; Daniel Garcia; Doug Nelson
Subject: RE: M D 42 Grant Anticipation Note.

Hi Tracy,

I believe we need to have a 200000 Account created for this. I was not able to find one that applies specifically to GANTs or "Other Revenue Funds". Is this an Account that Auditor needs to create? Once we have the Account, I can give you the ORG key associated to the District (MD-42).

Thank you.

JulioP
Madera County - Engineering Dept.

From: Tracy Kennedy
Sent: Wednesday, December 05, 2012 7:55 AM
To: Kheng Vang
Cc: Marcia Hall; Karl Noyes; Daniel Garcia; Doug Nelson; Julio Padilla
Subject: Re: M D 42 Grant Anticipation Note.

<< File: CAsh advance request MD 42 .jpg >>

Ken. This is what I did for this project. In order to do all of this correctly, you should probably do a REAL application and then send it thru the system. Even though the Board Already approved the mechanism for the cash advance.

Shall we keep on Trying?

Also, When do you need this money?

8944

OUNTY OF MADERA
9 W YOSEMITE
ADERA, CA 93637

11-35
1210

DATE 12/20/12

PAY TO THE ORDER OF Madera County MD42 $ 100,000.00

One hundred thousand dollars + no cents —— DOLLARS

Bank of America
Madera Branch 0023
501 East Yosemite
Madera, CA 93638 (559) 661-1786

FOR

⑈008944⑈ ⑆121000358⑆ 00236⑈80104⑈

OUT OF
ACTIVE ACCT

Madera Co Investment Portfolio
Portfolio Management
Portfolio Details - Investments
December 31, 2012

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM 360	Maturity Date
		Subtotal and Average	29,319,499.03		25,997,750.00	26,035,050.20	25,996,918.43		665	0.521	
Certificates of Deposit - Bank											
SYS1243	1243	Citizens Business Bank		05/10/2012	2,000,000.00	2,000,000.00	2,000,000.00	0.400	129	0.400	05/10/2013
SYS1208	1205	BANK OF THE WEST		12/12/2011	4,000,000.00	4,000,000.00	4,000,000.00	0.820	154	0.820	06/04/2013
SYS1136	1136	RABO BANK		06/25/2011	2,000,000.00	2,000,000.00	2,000,000.00	0.650	175	0.650	06/25/2013
SYS1253	1253	Citizens Business Bank		07/15/2012	1,000,000.00	1,000,000.00	1,000,000.00	0.350	195	0.350	07/15/2013
38143AJR7	1221	GOLDMAN SACHS		02/08/2012	250,000.00	250,215.00	250,000.00	0.600	219	0.592	08/08/2013
02005QYL1	1215	ALLY BANK		01/19/2012	250,000.00	251,457.50	250,000.00	1.000	566	0.986	07/21/2014
		Subtotal and Average	9,500,000.00		9,500,000.00	9,501,672.50	9,500,000.00		170	0.645	
Treasury Coupon Securities											
912828JT8	974	UNITED STATES GOVERNMENT		04/07/2010	2,000,000.00	2,035,460.00	1,995,000.00	2.000	333	2.043	11/30/2013
		Subtotal and Average	1,995,000.00		2,000,000.00	2,035,460.00	1,995,000.00		333	2.043	
Depository Accounts											
SYS1143	1143	BANK OF THE WEST			8,040,047.87	8,040,047.87	8,040,047.87	0.400	1	0.395	
SYS970	970	RABO BANK			9,351,380.72	9,351,380.72	9,351,380.72	0.140	1	0.138	
		Subtotal and Average	17,390,663.59		17,391,428.59	17,					
Local Agency Investment Funds											
SYS119	119	Local Agency Investment Fund			42,906,086.75	42					
		Subtotal and Average	42,906,086.75		42,906,086.75	42					
Municipal Bonds											
SYS1287	1287	Municipal Bond		12/20/2012	100,000.00						06/30/2014
		Subtotal and Average	38,709.68		100,000.00						
		Total and Average	246,383,249.47		260,639,265.34	261					

INTO
portfolio

Portfolio MAD
RC
PM (PRF_PM2) 7.2.5

Run Date: 01/14/2013 - 15:11

Madera Co Investment Portfolio
Portfolio Management
Portfolio Details - Investments
April 30, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM 360	Maturity Date
		Subtotal and Average	13,994,036.67		13,997,750.00	14,025,799.96	13,994,000.00		721	0.656	
Certificates of Deposit - Bank											
SYS1243	1243	Citizens Business Bank		05/10/2012	2,000,000.00	2,000,000.00	2,000,000.00	0.400	9	0.400	05/10/2013
SYS1208	1208	BANK OF THE WEST		12/12/2011	4,000,000.00	4,000,000.00	4,000,000.00	0.820	34	0.820	06/04/2013
SYS1136	1136	RABO BANK		06/25/2011	2,000,000.00	2,000,000.00	2,000,000.00	0.650	55	0.650	06/25/2013
SYS1253	1253	Citizens Business Bank		07/15/2012	1,000,000.00	1,000,000.00	1,000,000.00	0.350	75	0.350	07/15/2013
38143AJR7	1221	GOLDMAN SACHS		02/08/2012	250,000.00	250,132.50	250,000.00	0.600	99	0.592	08/08/2013
02005QYL1	1215	ALLY BANK		01/19/2012	250,000.00	251,682.50	250,000.00	1.000	446	0.986	07/21/2014
		Subtotal and Average	9,500,000.00		9,500,000.00	9,501,815.00	9,500,000.00		50	0.645	
Treasury Coupon Securities											
912828JT8	974	UNITED STATES GOVERNMENT		04/07/2010	2,000,000.00	2,022,040.00	1,995,000.00	2.000	213	2.043	11/30/2013
		Subtotal and Average	1,995,000.00		2,000,000.00	2,022,040.00	1,995,000.00		213	2.043	
Depository Accounts											
SYS1143	1143	BANK OF THE WEST			8,050,652.12	8,050,652.12	8,050,652.12	0.400	1	0.395	
SYS1300	1300	Citizens Business Bank		04/08/2013	9,000,000.00	9,000,000.00	9,000,000.00	0.250	1	0.247	
SYS970	970	RABO BANK			3,354,677.26	3,354,677.26	3,354,677.26	0.130	1	0.128	
		Subtotal and Average	19,203,711.86		20,405,329.38	20,405,329.38	20,405,329.38		1	0.285	
Local Agency Investment Funds											
SYS119	119	Local Agency Investment Fund			42,906,086.75	42,906,086.75	42,906,086.75	0.320	1	0.316	
		Subtotal and Average	42,906,086.75		42,906,086.75	42,906,086.75	42,906,086.75		1	0.316	
Municipal Bonds											
SYS1287	1287	MD 42 GAN		12/20/2012	100,000.00	100,000.00	100,000.00	1.250	425	1.250	06/30/2014
		Subtotal and Average	100,000.00		100,000.00	100,000.00	100,000.00		425	1.250	
		Total and Average	259,072,196.29		266,127,166.13	266,931,387.13	266,348,934.50		708	0.673	

H

BANK OF AMERICA, N.A.
2000 CLAYTON RD - 5TH FLOOR
CONCORD, CA 94520

COUNTY OF MADERA TREASURY

Account Number 0023680104
19 08 140 01 W0500 E# 1
Last Statement: 01/04/2013
This Statement: 01/11/2013

IMG

Customer Service
1-888-400-9009

PUBLIC FUNDS CHECKING

Deposits and Credits

Date Posted	Customer Reference	Amount	Description	Bank Reference
01/11		1,593.44	PALM J1 PART B DES:PAYMENT ID:1437372554 INDN:MADERA COUNTY CO ID:9146093001 CCD PMT INFO:TRN*1*885575037*571062326\	10010033967
01/11		2,106.00	CMA2 DES:BNKCDDEP ID:1089295927781 INDN:MADERA RMA CO ID:2641060124 CCD	10010234655
01/11		2,875.00	BOFA MS 1922 DES:MERCH SETL ID:430132313542867 INDN:MADERA SUPERIOR CT WEB CO ID:1210001922 CCD	11009616245
01/11		6,929.93	CALIFORNIA TRIAL DES:91BOA20 ID: INDN:COUNTY OF MADERA CO ID:1499220301 CCD	10008659625
		603,659.07	Sub-Total by BAI Number of Items 34	
01/11		41.00	Dep Corr/noncash	156909442173317
		41.00	Sub-Total by BAI Number of Items 1	
01/09		333,246.49	WIRE TYPE:WIRE IN DATE: 130109 TIME:1456 ET TRN:2013010900218498 SEQ:DSP1301090070400/004383 ORIG:MADERA CNTY 06 TA SER 10- ID:144067 SND BK:TH E BANK OF NEW YORK MELLON ID:021000018 PMT DET:026 009593 TO BANK OF AMERICA A/C#00236-80104 MADERA C	644800370218498
01/09		3,014,550.00	WIRE TYPE:WIRE IN DATE: 130109 TIME:1429 ET TRN:2013010900210437 SEQ:2013010900086729/026924 ORIG:MADERA COUNTY TREASURER ID:25275400 SND BK:WE LLS FARGO BANK, NA ID:121000248 PMT DET:17571783	644800370210437
		3,347,796.49	Sub-Total by BAI Number of Items 2	
01/07		200.00	CA VAULT DEPOSIT	156904042079074
01/07	cks	1,069.00	CA VAULT DEPOSIT	156904042079033
01/07		2,156.20	CA VAULT DEPOSIT	156904042079014
01/07		11,811.50	CA VAULT DEPOSIT	156904042079045
01/07		23,689.99	CA VAULT DEPOSIT	156904342762651
01/07		33,134.53	CA BANKING CENTER DEPOSIT	84304042341618
01/07		262,338.17	CA VAULT DEPOSIT	156904342762819
01/08		272.72	CA VAULT DEPOSIT	156904142995670
01/08		1,034.21	CA VAULT DEPOSIT	156904142995494
01/08	cks	1,844.50	CA VAULT DEPOSIT	156904142997089
01/08		2,160.00	CA VAULT DEPOSIT	156904142995668
01/08		2,215.00	CA VAULT DEPOSIT	156904142995641
01/08		2,648.00	CA VAULT DEPOSIT	156904142995659
01/08		3,627.40	CA VAULT DEPOSIT	156904142995431
01/08		5,198.18	CA VAULT DEPOSIT	156904142995526
01/08		5,383.22	CA VAULT DEPOSIT	156904142995497
01/08	cks	5,522.60	CA VAULT DEPOSIT	156904142997059
01/08		7,859.50	CA VAULT DEPOSIT	156904142995643
01/08		8,187.25	CA VAULT DEPOSIT	156904142995618
01/08	cks	10,424.85	CA VAULT DEPOSIT	156904142997031
01/08	cks	16,129.24	CA VAULT DEPOSIT	156904542022076
01/08		36,226.30	CA VAULT DEPOSIT	156904142995543
01/08		40,555.82	CA VAULT DEPOSIT	156904542022078
01/08		54,193.60	CA VAULT DEPOSIT	156904142996858
01/08		100,000.00	CA VAULT DEPOSIT	156904142995639

Cleared Bank

H

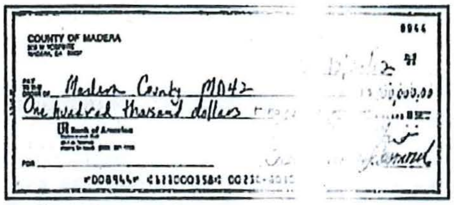
BANK OF AMERICA, N.A.
2000 CLAYTON RD - 5TH
CONCORD, CA 94520

Account Number 0023680104
19 08 140 01 W0500 E# 1
Last Statement: 01/04/2013
This Statement: 01/11/2013

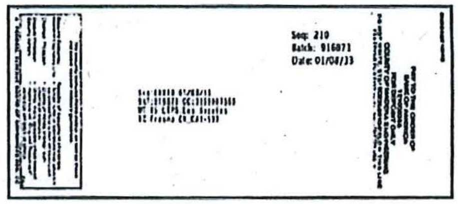
IMG

Customer Service
1-888-400-9009

COUNTY OF MADERA


COUNTY OF MADERA
Madera County MD42
One hundred thousand dollars
Bank of America

Ref#04142995640


Seq: 210
Batch: 916071
Date: 01/08/13

unknown
why Engineering
did not deposit
signer
cleared
1-8-13

Why not processed?
timely

COUNTY OF MADERA - DEPOSIT PERMIT

S/B 2013 ?

AUDITOR-CONTROLLER USE ONLY

PERMIT NO. 20273

TITLE OF DEPOSITING ORGANIZATION	NO. OF DEPOSITING ORG.	DATE
Special Districts	01370	1/4/12

FUND & ACCOUNT DESCRIPTION	FUND/ ORG.	ACCOUNT	REVENUE DESCRIPTION	CHECK #	AMOUNT DOLLARS	CENTS
MD-42	19501	205100	GANS # 2012-1	8944	100,000	00
			BAG# 31251851			

WHY WAS permit not processed timely from engineering ?

Prepared by: Christie Willet (Print Name)

TOTAL		100,000	00
DESCRIPTION OF TOTAL	COIN	-0-	
	CURRENCY	-0-	
	CHECKS	100,000	00
TOTAL		100,000	00

Accepted for Deposit by: County Treasurer

Melanie Bautista ~~Deputy~~

Authorized by: County Auditor-Controller

By K. McC Deputy

Tracy Kennedy

From: Tracy Kennedy
Sent: Monday, January 28, 2013 4:33 PM
To: Marcia Hall; Daniel Garcia
Cc: Darla Weiser; Karl Noyes
Subject: RE: deposit permit #123873- Purchase of Investment.

Hi Marcia;

We only issue a check for investment purposes. The Active Account is the only account that I sign on. Bank Account 80104. You sign on all warrant accounts , auditor warrants, payroll warrants., etc. We do not regularly issue any checks to purchase investments. (we used to years and years ago....but now with wires and eft not so much)

This transaction is an investment purchase by the entire County Co mingled Investment Pool , not just a general fund investment or a general fund specific transaction. I thought our original idea was for the Treasury to Purchase this note, put the note in the investment portfolio, just as we would another investment type?

Writing the check from the Active Account for this investment, was just to facilitate the Maintenance District and the purchase of this investment. If we do it again., let us know how and what we should do on this end. In order to get money out of treasury cash and investments to a specific maintenance district fund.

other than the Grant Anticipation note, we have only issued an Active Account Investment Purchase check for purchasing the Registered Warrants issued by the State of California (2009) that we would purchase from the Department and then hold in our portfolio until the State of California paid them.

Registered Warrants earned interest and therefore the Treasury purchased them as an investment and then by way of issuing the active account check to replace the registered warrant that was issued to that department (Such as the Ag Commissioner) by the State. The department could deposit good funds into their accounts and keep for their ongoing operations and we would note the investment on the investment portfolio.

registered warrants.pdf   registered warrants listing.pd...

That was several years ago. July 2009. Jim Boyajian was a part of that process, if you have additional questions he might be able to help you. and we only had to hold them for 2 months... not very long.... I included the listing of the registered warrants that we purchased. And then also a picture of what it the registered warrant investments looked like on the investment portfolio.

million dollar warrant.pdf

We certainly can establish a better procedure along with the appropriate journal entries required since it looks like they (Engineering) want to do more of these types of transactions....Treasury investing in Grant Anticipation notes. Since this is our first time of purchasing a Grant Anticipation Note, we knew there might be issues to work out.

Thanks. Tracy

From: Marcia Hall
Sent: Monday, January 28, 2013 9:37 AM
To: Daniel Garcia
Cc: Tracy Kennedy; Darla Weiser; Karl Noyes
Subject: RE: deposit permit #123873

Dan—
How often does the treasurer issue a check? I thought all checks came through our office and I was the signatory on that account. Who else can sign on the Bank of America checks? When the deposit permit was prepared, that was a debit (increase) to cash. As the check was basically written from the same account, 101100, there is no offsetting credit from your department. Right now cash is overstated by $100,000 due to this transaction. I am curious why you didn't just journalize this transaction vs. cutting a check to MD-42?

If this is a regular practice from your department, in order for us to really balance, I will need to know how many checks you have written directly from the treasury. This could be another reason why were are out of balance. Please provide me with copies of all checks (and supporting documentation) that your department has written since July 1, 2010.

Thanks,
Marcia

From: Melody Bright
Sent: Saturday, January 26, 2013 2:47 PM
To: Daniel Garcia
Cc: Dawn Hunt; Melanie Butler
Subject: RE: deposit permit #123873

Okay, Dan, thank you. I'll run it by Marcia on Monday.

From: Daniel Garcia
Sent: Friday, January 25, 2013 4:56 PM
To: Melody Bright; Melanie Butler
Cc: Dawn Hunt
Subject: RE: deposit permit #123873

You are correct the auditor did not issue a warrant. The treasurer issued a check from our checking account 80401. The transaction is now considered a purchased investment and is recorded in our investment portfolio. Please check with Marcia for any other supporting documentation and I will compile the treasury record and deliver them on Monday.

From: Melody Bright
Sent: Friday, January 25, 2013 4:52 PM
To: Melanie Butler
Cc: Dawn Hunt; Daniel Garcia
Subject: deposit permit #123873

Melanie,

I am auditing deposit permits for January and came across deposit permit #123873. It is a deposit of $100,000 for GANS #2012-1. While looking in IFAS for the transaction, I found a credit to account 205100 (due to other funds) for $100,000 in fund #1950 (MD-42). The debit was to #101100 in the MD 42 cash account. So, MD-42 recorded a "due to other funds" liability for $100,000 but no "due from other funds" receivable was recorded in the general fund account #130100 to record the $100,000 receivable and no corresponding credit to cash could be found. Since no documentation was attached to the deposit, it was difficult to determine the other side of the entry. I am hoping you can provide me the "credit" side of the cash entry. We did not prepare a check to MD-42. How did they "deposit" this $100,000 check? Can you help me with these questions?

Melody Bright
Accountant/ Auditor II
Madera County Office of the Auditor/Controller
200 West Fourth Street
Madera, CA 93637
Phone: 559-675-7707, ext 2476
Fax: 559-661-3006

California LEGISLATIVE INFORMATION

Code: GOV Section: 27005 Search

Up^ << Previous Next >> cross-reference chaptered bills Highlight

GOVERNMENT CODE - GOV

TITLE 3. GOVERNMENT OF COUNTIES [23000. - 33205.] *(Title 3 added by Stats. 1947, Ch. 424.)*

DIVISION 2. OFFICERS [24000. - 28085.] *(Division 2 added by Stats. 1947, Ch. 424.)*

PART 3. OTHER OFFICERS [26500. - 27758.] *(Part 3 added by Stats. 1947, Ch. 424.)*

CHAPTER 5. County Treasurer [27000. - 27137.] *(Chapter 5 added by Stats. 1947, Ch. 424.)*

ARTICLE 1. Duties Generally [27000. - 27013.] *(Article 1 added by Stats. 1947, Ch. 424.)*

27005. The treasurer shall disburse the county money and all other money placed in his or her custody by official authority only on county warrants, checks, or electronic fund transfers issued by the county auditor, except for the making of legal investments.

(Amended by Stats. 1994, Ch. 939, Sec. 8. Effective September 28, 1994. Operative January 1, 1995, by Sec. 29 of Ch. 939.)

Tracy Kennedy

From: Tracy Kennedy
Sent: Wednesday, July 03, 2013 11:52 AM
To: Norman Allinder; Becky Beavers
Cc: Daniel Garcia
Subject: Hemming Morse Audit: Point RE Business Licenses

Hello Becky; The following observation was made by the Hemming Morse Auditors regarding business licenses and reconciliations.

Could you review their observations/ and recommendations and give us a quick response as to what you do at your department level so that they will have a level of comfort we are doing appropriate reconciliations...or where we could improve them?

Sorry for the late notice. ☹ .

Take care. And thank you. !

Observation: #8
Application and issuance of new business licenses is performed by Resource Management Agency (RMA). When an application and the related fee is received, it is deposited by RMA. The progress of the business license is tracked by RMA through a data flow system called Posse. Recently, reconciliation of the Posse system and the general ledger was given by the treasurer's office back to RMA for reconciliation as the Posse system does not interface with the general ledger and does not provide an easily reconcilable trail between cash collected and licenses issued. Currently, there is not a monthly reconciliation between new licenses issued, deposits and revenue recorded in the general ledger.
Effect:
This could lead to discrepancies in licenses issued and revenue received that would not be discovered in the normal course of business.
Recommendation:
New license applications, deposits and new licenses issued should be reconciled to the general ledger on a monthly basis.

Tracy Kennedy
Madera County Treasurer-Tax Collector
200 West 4th Street, 2nd Floor
Madera, CA 93637
559-675-7713

ATTACHMENT VI

COUNTY OF MADERA

Uniform County Cash Handling

and

Deposit Policy and Procedure

Effective
November 1, 2001

Prepared by: Treasurer/Tax Collector

Table of Contents

INTRODUCTION

Properly trained personnel are expected to be accurate and efficient when processing customer payments, making change, or accepting checks. They are also expected to safeguard County funds against loss, and maintain good customer relations. Department/agency supervisors are also responsible for the safekeeping of money that is received and the prompt deposit of those funds into the bank or the transfer of these funds to the Treasurer/Tax Collector's office. In addition, departments/agencies are expected to provide secure surroundings for personnel who handle cash and keep them informed of all County receipt rules and procedures.

Courtesy and respect must be the norm when serving the public at any counter. Today the County of Madera recognizes these personnel as Customer Service Representatives given that when citizens or customers come to a County office to pay for something they expect to talk to someone who is knowledgeable as well as pleasant. If they have questions about their payment, they expect to receive prompt and accurate answers. Citizens should not be worried about how they will be treated at the counter. As a representative of local government they will remember the personal experience they received after they leave.

Therefore, the function of receiving money is very important in the County that includes one or more of the following distinct yet inter-related areas of responsibility:

- To receive payments from customers which can be cash, check, or other form of money.
- To establish and maintain good customer relations.
- To perform operations according to established County and departmental/agency procedures.
- To protect the assets of the County through sound accounting, reporting and loss prevention practices.
- To accurately balance daily cash and complete all cash receipt forms.
- To always double-check your balance tapes before depositing money.
- To deposit all monies received in the bank or deliver to the Treasurer/Tax Collector's office within 48 hours.

POLICIES

Each section of this policy relates to the various types of cash receipting activities. Listed below is a summary of the major cash receipt policies that should be used as a reference.

RECEIPT OF CASH

1. Care must be taken when accepting cash. Once the customer leaves it is too late.
2. Talk through the transaction with the customer; take time in counting cash and double count large amounts that involve many bills. Inspect large bills closely ($50 and $100 even $20) for counterfeits and/or mutilation.
3. Coin in rolls, must contain the name and address of the payer and the department/agency name.
4. Keep money received out of the cash drawer until the transaction is complete.
5. Do not perform two transactions at once (i.e., do not make change in the middle of taking a payment even for the same customer).
6. Count money back to the customer when giving change.
7. Cash should be immediately placed in a secured area as soon as the transaction is complete; a cash box should be used at a minimum.
8. Official County receipts or cash register receipts must be given for all payments.

Counterfeit Money

Assure that each bill is genuine. It is recommended that at least all $50's and $100's, and other denominations at random, be verified with an inexpensive security pen available at Office Depot. If it is suspected that a bill is counterfeit, do not accept it from the customer. If the customer has left the office, place a Post-It note on the bill with the words "Suspected Counterfeit." All suspect bills are to be placed on the top of their respective deposit bundles. If the department/agency handles a great deal of currency, consider purchasing a currency counter with counterfeit detector. Remain vigilant to the possibility that the corner of a bill of a larger denomination may have been taped onto the corner of a bill of a smaller denomination. Counterfeit currency will be confiscated by the bank and charged back to the department/agency account.

Spotting Counterfeit Currency

- The printing on counterfeit currency will appear flat and lack the three dimensional quality of genuine currency
- Compare the suspect bill with a genuine bill of the same denomination and series. Use a magnifying glass if possible. Examine the quality of the printing, especially the sharpness of the crossing lines in the background. These lines will appear ragged or merged on a counterfeit bill.

- United States currency is printed on special paper made with red and blue fibers in it. Counterfeit bills will either have these fibers drawn on or they will not have them at all.
  Scratching or erasing the surface can remove fake marks. Real fibers can be picked out using a pin. Beware of paper that feels extra light or heavy.
- In counterfeit currency, the portrait is lifeless and does not appear lifelike as the real thing. Hairlines are not distinct. Saw tooth points on seals are uneven, blunt and broken off.
  Fine borderlines are not clear. Look for dullness in the portrait and for extra dark or light shading.

In July of 1991, the Treasury Department added two important features to the $100 bill. On the left side of the bill from top to bottom is a translucent polyester filament. In addition, around the portrait, on the front of the bill, are tiny letters "USA" repeated in microscopic type. These features were added to deter color copying of the bill. These features have now been added to $50's, $20's, and 10's.

Mutilated Money

There are specific federal banking regulations for redemption of bills that are torn or mutilated. A bill must be 3/5 (60%) intact for it to be acceptable. Any bill that is less that 3/5 should not be accepted, as the bank cannot redeem it. Mutilated coins that are bent, broken or damaged, as well as Canadian and other foreign coins should not be accepted.

(NOTE: Government Code section 24350. Each salaried officer of a county or judicial district shall charge and collect, for the use of his or her county, and pay into the county treasury, on or before the fifth day of each month, the fees allowed by law in all cases, except those or a percentage of them allowed him or her, and those which are a charge against the county. No salaried officer who collects fees pursuant to this section shall be required to accept coin in payment of those fees).

RECEIPT OF CHECKS

Examine the check as follows:

- Has it been altered?
- Is it signed?
- Does preprinted name agree with the signature?
- Is there a drawee bank and address noted on the check?
- Does the numbered amount agree with the written amount?
- Checks must always be made out to the department/agency or County of Madera.
- Cash should not be given back as change to a customer for a personal check, company check or cashier's check. Checks should only be accepted for the exact amount due.
- Check endorsement information, which is the name of the department/agency, location of facility or account number, must be placed on the back of the check at the top 1.5 inches. The rest of the check must be left clear for the bank's stamps.
- Restrictively endorse the check as soon as you receive it, proper endorsement should say "For Deposit Only" to "Departments Name" and your account number".
- NEVER ACCEPT A POST DATED CHECK AND NEVER AGREE TO HOLD A CHECK FOR ANYONE.

Types of Checks

A check is issued to transfer funds from one party to another. The term "negotiable instrument" means that when properly endorsed, the check is payable to the holder when presented at the issuer's bank.

The drawer or "maker" is the party issuing and signing the check. The drawer may be one or more individuals acting on their own behalf, or the drawer may be one or more individuals authorized to act on behalf of a company, corporation, partnership or municipality. The drawee is the party upon whom the check is drawn, usually a bank or trust company.

The payee is the party to whom payment is made. The check can be payable to one or more individuals, to a business, corporation, partnership, municipality, or government agency. When accepting checks for the department/agency, always ask the customer to write "County of Madera" or the Department/Agency name as the payee.

Foreign Checks

No foreign items including checks, money orders, travelers' checks should be accepted unless the words "U.S. Funds" or "U.S. Dollars" appear on the check, and a Federal Reserve routing number is MICR encoded at the bottom of the item. The Federal Reserve routing number is a nine (9)-digit number appearing on the lower left of the check. Generally, this number allows the item to be processed through the bank system. Without this code, the item is subject to bank collection charges, which, in many cases, exceed the value of the payment. If there is any doubt about the item, contact the Treasurer-Tax Collector's office for guidance. Any foreign checks accepted are to be forwarded to the Treasurer-Tax Collector's office for processing.

DO NOT INCLUDE THEM IN YOUR REGULAR DEPOSIT WITHOUT SPECIFIC AUTHORITY FROM THE TREASURER/TAX COLLECTOR'S OFFICE. (Any collection fees incurred for converting the item to US dollars will be charged to your department/agency.)

Personal Checks

Personal checks are the most common type of check. Personal checks belong to people who maintain demand account balances at banks. Ensure that the maker's name and address appear on the check, other identification is optional such as telephone number; social security or drivers' license numbers. No cash back may be given for a check transaction unless the County Auditor-Controller has approved a procedure in advance.

Company Checks

Company checks may appear similar to personal checks. Some have a carbon paper strip attached for the companies own bookkeeping system. Some are computer prepared. Company checks may also have stubs or copies attached. Many of these checks have special instructions printed on them. Instructions may be "Look for the watermark on the back of this check before cashing", or "The colors of this check change from top to bottom" or "Two signatures required." These instructions are designed to assure that the payment is truly authorized. Failure to follow these instructions may expose the County to loss.

Cashier's Checks

This is a check drawn by a bank on its own funds. Since only the failure of the bank would cause the check to be dishonored, they are usually accepted readily. However, as with a personal or company check, the payee should be "County of Madera" or the Department/Agency name and no cash should be given back as change.

Cashier's Checks are also known as:

- Bank Checks
- Branch Checks
- Teller Checks
- Managers Checks
- Official Checks

Personal Money Orders

A personal money order is a check purchased from a financial service vendor for cash. The purchaser fills in the date, the payer, and the payee's name and address. Vendors usually restrict the maximum amount for which they will issue a money order. This amount is printed on the face of the money order. For example, on the money order may be printed the words "not to exceed $300.00." If the amount of the money order is more than the "NOT TO EXCEED" amount, you should not accept it. Cash may be given back as change for a money order.

Traveler's Checks

These checks, sold by banks, are similar to money orders. The purchaser on the face of the check signs them when purchased, and countersigns them when cashed, either on the face or on the back. When using a traveler's check at a County facility, the customer must countersign and write in the payee in the presence of the cashier. Traveler's checks should be processed the same as any other check. (If the traveler's check is completed correctly, cash may be given back as change.)

What Makes a Check Valid?

Several requirements must be met to make a check negotiable or valid.

- The check must have a current date. The check should neither be stale dated nor postdated. A stale dated check is a check dated 180 or more days in the past. A check dated in the future is a post-dated check.
- The check must have a maker. A maker is a company or individual who is paying for a County service. The County prefers that the name and address of the maker is pre-printed on the front of the check. The check cannot have a second endorsement (two party checks).
- The amount must appear twice. It must be both spelled out and printed in numbers. If there is a discrepancy between the written amount and the amount in numbers, the written amount supersedes the amount in numbers.
- The maker or drawer must sign the check.

The County must have certain information about the person writing the check. This information is:

- Full name of person writing the check
- Home address
- Home telephone number (optional)
- Business address (if applicable)
- Business telephone number (if applicable)

All or part of this information may already be on a separate form or on the front of the check. If any of it is not, then ask for it and record it on the front of the check. The name of the department/agency, location of facility, or account number should be either stamped or written on the back of the check in the space for endorsement.

Finally, if the routing number and account numbers are not pre-printed at the bottom of the check, it should not be accepted.

Spotting Forged Checks

In general, it should, with the exception of government checks, checks printed on computer card stock, counter checks and temporary checks, be possible to feel perforations on at least one edge of all legitimate checks.

At the bottom left end of the MICR line is a nine-place number, this is the routing code for the bank the check is drawn on. The first 2 numbers indicate which of the 12 Federal Reserve Districts the bank is located in. It is important to compare this to the location of the bank since a forger will sometimes change these in order to buy more float time while the check is routed to an incorrect Reserve Bank. It should also agree with the routing fraction printed in the upper right corner of the check.

The special magnetic ink used in the MICR line on the bottom of the check should appear flat and dull. If a shine or reflected light off these numbers is observed when the check is tilted under normal lighting, it is probably a forgery. These numbers should also be raised off the surface, almost like Braille. These numbers cannot be felt on a photocopy. The numbers on a copy will often smear an opposite color from the moisture on fingers.

Be cautious of new checking accounts, 90% of all forged checks are drawn on accounts less than 1 year old. You can tell a new account by the check numbers. New checking accounts usually start with the number 101.

Travelers Checks

- Visa - When held above eye level, a globe of the world appears on the front left and a dove in the upper right. MasterCard and Thomas Cook - When held above eye level on the right side of the check in a circle, a Greek goddess will appear.
- Citicorp - When held above eye level, a Greek god's face will appear on the right.
- Bank of America - When held above eye level, 3 additional globes will appear.
- American Express - Turn check over, moisten fingertip and run it over the left denomination. If it smears it is good. Right side will not smear.
- Be impressed with the check not the person. Examine identification carefully.
- Be sure the person is the same person in the photo ID. Are the addresses on the check and ID the same? Is the driver's license expired (licenses are legally worthless for ID as soon as they expire)?

Returned Items

Frequently, checks deposited are returned unpaid by the makers' bank. The reasons for return include:

- Insufficient Funds (NSF)

- Account Closed
- Payment Stopped
- Unable to Locate
- Signature Missing
- Refer to Maker

When a check is returned, the County's account with the bank is charged for the item. The Treasurer/Tax Collector's Office will determine from which department/agency the check came, and create a Negative Permit charging that department/agency for the Returned Item. It is then the department's/agency's responsibility to adjust their records and following the departmental/agency procedures attempt to recover payment.

Security

- Access to cash and checks is to be restricted to those employees who are assigned fiscal responsibility.
- Cash and checks are to be kept in a locked desk or file when not in use during the day and placed in a locked safe at closing time.
- The number of employees with knowledge of the safe combination is to be kept to an absolute minimum.
- The cash handling and cash recording functions are not to be performed by the same person. The duties of "cashier" and "bookkeeper" are to be assigned to different persons who do not have access to one another's records.
- When possible duties should be separated such that the individuals receiving the payments are not the same as the individuals balancing the payments received and preparing the deposits.
- At a minimum, someone must perform a monthly bank reconciliation other than the individual who maintains the daily banking activity.

Electronic Payments

Customers sometimes want to pay electronically through the Fed wire system or Automated Clearinghouse (ACH) system. An example of an ACH payment is the Direct Deposit payroll received by most County employees. The federal government has mandated that all federal payments be made electronically by January 1, 1999. Use of electronic payments is expected to grow by 500% over the next five years. Should a customer wish to use electronic payment systems, contact the Treasurer/Tax Collector's office for assistance. Any electronic payments must be receipted in the same manner as cash or checks.

Deposit Accounts/Off-Site Banking

The County's primary bank is Bank of America. Through Bank of America, the County has established a Direct Deposit process for schools and courts and other banking deposit accounts for use by County departments/agencies. Depositing departments/agencies receive unique BOA Deposit Slips (Exhibit I), which allow the Treasurer/Tax Collector to identify the depositing department/agency. The Treasurer/Tax Collector then notifies the depositing department of their permit number. The Treasurer/Tax Collector then prepares the department permit for posting. If a department/agency is interested in such an arrangement, please contact the Treasurer/Tax Collector.

DEPOSIT PROCEDURES

1. All departments/agencies should have a pre-numbered Official Receipt book (Exhibit II), available from the Auditor-Controller's office, a cash register or a cashiering type computer program.

2. Every customer that makes a cash payment should be given a numbered receipt noting the date, amount and purpose of the payment.

3. The department should retain either a copy of the receipt or be able to print out a copy of each day's payments in order to balance.

4. All checks should be endorsed on the back with:

DEPOSIT ONLY
COUNTY OF MADERA
"STATE YOUR DEPARTMENT NAME"
(Contact the Treasury department for endorsement stamps)

5. Deposits should be made to the County Treasury on a daily basis. If that is not possible, receipts and cash/checks should be kept in a secure location until deposited. For other than daily deposits, the County Treasurer must grant permission.

6. After the department has balanced the receipts to the cash collected, a Deposit Permit (Exhibit III) form must be completed. This permit will have a place for the department name, date, and description of the deposit, fund number and account number. You should contact the Auditor-Controller's office if unsure of the account number or revenue description.

7. Once the permit is completed, take the cash/checks along with the Deposit Permit to the Auditor-Controller's office for a Permit Number and an Auditor's signature. That office will retain the Goldenrod copy.

8. Next, take the cash/checks and deposit permit to the County Treasurer for verification and signature.

9. The pink copy of the completed Deposit Permit will be retained by the depositing department/agency. The white and yellow copies of the permit will remain with the Treasurers office for further balancing.

Exhibit 1 – Direct Deposit

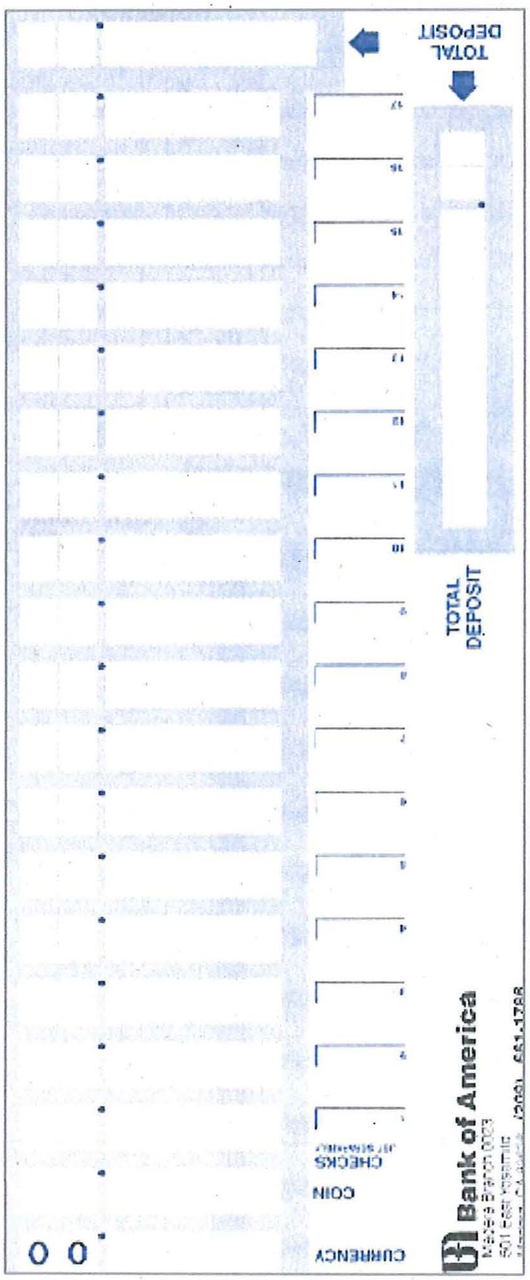
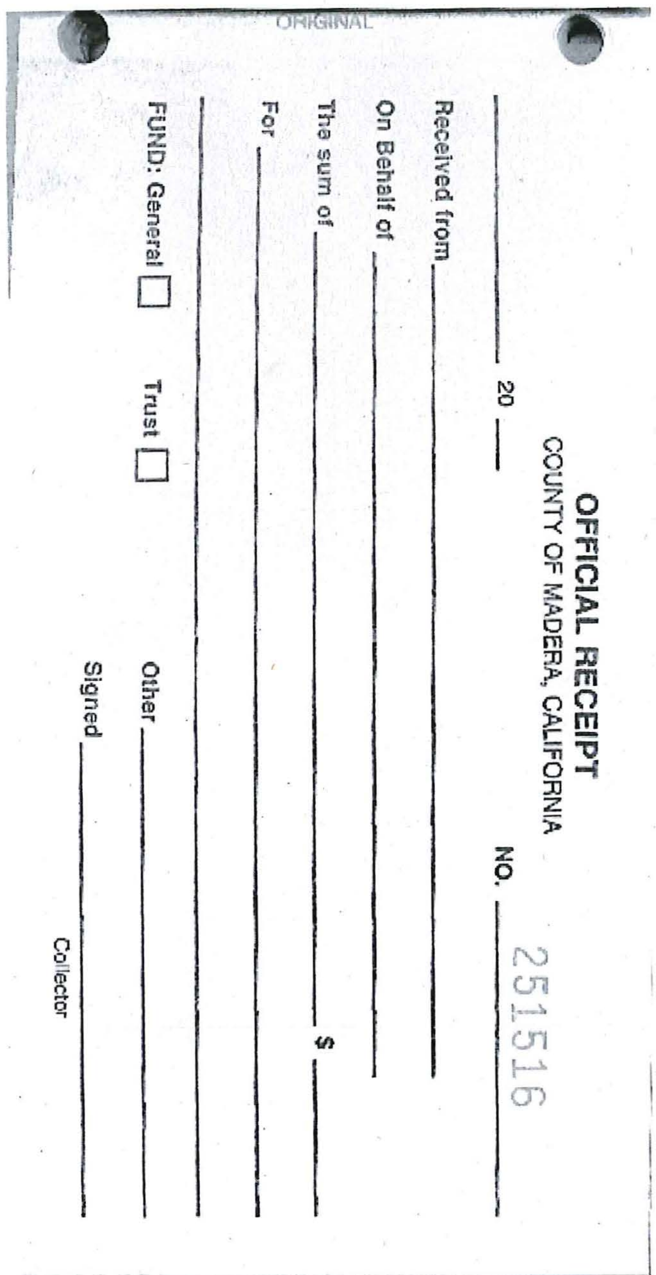


Exhibit 2 – Official Receipt

All receipt books are issued by the Auditors Office and are 4- Parts and Pre-Numbered

Distribution order:

1. White Original – retained by customer
2. Green – sent to auditors office at settlement
3. Pink – kept in the receipt book
4. Goldenrod – remains with daily work


ORIGINAL

OFFICIAL RECEIPT
COUNTY OF MADERA, CALIFORNIA

NO. 251516

20 ____

Received from ____

On Behalf of ____

The sum of ____ $ ____

For ____

FUND: General ☐ Trust ☐ Other ____

Signed ____ Collector

COUNTY OF MADERA - DEPOSIT PERMIT

AUDITOR-CONTROLLER USE ONLY

PERMIT NO.

TITLE OF DEPOSITING ORGANIZATION	NO. OF DEPOSITING ORG.	DATE

FUND & ACCOUNT DESCRIPTION	FUND/ ORG.	ACCOUNT	REVENUE DESCRIPTION	AMOUNT DOLLARS	AMOUNT CENTS
			TOTAL		
		DESCRIPTION OF TOTAL	COIN		
			CURRENCY		
			CHECKS		
			TOTAL		

Accepted for Deposit by:
County Treasurer

By________________________Deputy

Authorized by:
County Auditor-Controller

By________________________Deputy

Daniel Garcia

From: Daniel Garcia
Sent: Wednesday, July 03, 2013 8:14 AM
To: Kevin Fries
Cc: Tracy Kennedy; Adrienne Calip
Subject: Recruitments

Kevin, after meeting with Marcia and Karl yesterday to discuss a new design of how the Treasury department should function. We agreed to embark on a rigorous schedule to develop best practice with a common goal we both can clearly understand. The implied outcome is to meet the challenge of balancing to not only our bank accounts but also to balance with the GL.

That said means I cannot wait for budget hearings to meet staffing needs. Marcia, Karl and even Susan of Hemming Morse all support the need to increase staffing within the Treasury to comply with a division of duties and strengthen internal controls. In fact Marcia says and supports adding at least two more people to the Treasury is warranted, and Karl also agreed. And after all the entire cost of the Treasurer's office is and always has been 100% recoverable through the Treasury Admin Fees.

Because Dawn is charged with all of the highest levels of duties to perform reconciliations, transfer money and daily balancing it's impossible to even start developing new tools and keep fiscal matters in order, so I'm requesting that we be authorized to move forward now for the recruitment of an Accountant-Auditor I/II and the recruitment for an Account Tech I/II (even if the Tech I/II is from an Extra Help pool)

Please review and discuss this with whomever and if you can respond today that would be so appreciated. If everyone is supportive of this request I will immediately process the appropriate documentation to HR.

Thanks
Dan

EXHIBITS REGARDING E-MAIL REQUESTS

I inquired in an e-mail on March 7, 2013 to the Board Chairman Max Rodriguez regarding the camera and of my questions and received no response.

Then I contacted the information technology department (IT) and David Rogers' legislative office to see what they could find out.

After several weeks of inquiry; what I discovered is that the camera quality is bad, the C.A.O. had full access to the camera; the camera view cannot be adjusted and the camera maintenance agreement with the vendor had not been paid.

I was finally able to acquire a video feed of my own in my department in May 2013 and it only faces the hinges of the vault door.

Tracy Kennedy

To: Max Rodriguez
Subject: Dear Chairman Rodriguez

Hi Max;

There is a lot of questions about the camera in my office. Is the video feed being archived so that old films can be reviewed? Or is just a current video picture being taped over? Also I have been unable to find out who is monitoring it, the level of video that it provides, or frankly even if it is on?

I was hoping that you or maybe Letty could help me find out so that I will be prepared and ready to answer those questions when the auditor comes in to my office?

Any help would be appreciated and please let me know if you or Letty have any questions that I could help provide answers to.

Thank you very much, Tracy

Thank you;

Tracy

Tracy A. Kennedy,
Madera County Treasurer-Tax Collector
?00 West 4th Street, 2nd Floor
Madera, CA 93637
(559) 675 - 7713

Tracy Kennedy

From:	Glenna Jarvis
'ent:	Wednesday, March 27, 2013 4:04 PM
i'o:	Tracy Kennedy
Subject:	RE: Answer

You're welcome!

Darin in CAO handles renewal of the agreement, from what Robert said. There are several cameras, but only three have DVR capabilities. The outside cameras feed directly to the SO, and they have someone monitoring in their department. They don't have DVR capabilities.

Your best bet would be to talk to Robert Connal about the process and ask him if you should submit a work request. Robert would also be able to answer your other questions as to number of cameras covered by agreement. The cameras that cover your lobby area are accessible with a program, I believe, but they are live-feed only and no DVR. As for budget request, I'm not sure—Robert might be able to answer that question, too, or the CAO.

Yep, six years—March 15 was my anniversary date with the County. Can't believe I've been out of the newsroom for six years!

From: Tracy Kennedy
Sent: Wednesday, March 27, 2013 1:00 PM
To: Glenna Jarvis
Subject: RE: Answer

Hi Glenna; Wow, Thank you !!.

Yes you can be of a little further assistance......

So.... Mtce Agreement? Meaning we do not currently have a mtce agreement?

How many cameras are covered by this non mtce agreement ? I think there are several throughout the government center and parking garage? Seems like if we are going to use this system, we should get it operating as designed so that it can be relied on , don't you think?

And since one of the cameras is not in a common area, but in my Office directly, I definitely need the ability to review and/or monitor it in the same fashion as the SO and the CAO. Of course, I wouldn't need to monitor the other areas outside of my department.

Do you know where the recording is? And are they saved and/or archived?

Thanks again for all your inquiry and even getting answers!

Let me know what else I need to do in order to get a camera feed in my office (Budget, Request to I.T. whatever..) ......of my office. Seems odd to have others viewing and monitoring and the Department Head has zero access. I'm sure it's just a holdover from years and years ago when we moved in....been over 6 years now!! Time flies....

rom: Glenna Jarvis
Sent: Wednesday, March 27, 2013 12:42 PM
To: Tracy Kennedy
Subject: Answer

Hi Tracy,

Okay—this is what I've found out:

There are three license for the cameras which record on DVR. Kathy in the mailroom has one, the Sheriff's Department has one, and CAO has one. The camera in your office, that is on the safe, goes to the SO and CAO.

In order to get another license for you to view the camera trained on the safe, it'll cost a few hundred dollars. Problem is, every time IT wants a license they are asked to renew their maintenance agreement. CAO's office is supposed to renew this, and apparently they haven't so it'll cost between $6,000 and $7,000 for the renewal, plus the cost of a new license.

I hope this answers your question! Let me know if I can be of further assistance.

Take care,
Glenna

Glenna Jarvis
Legislative Assistant, District 2
200 W. 4th Street
Madera, CA
Mon. & Fri. (559) 665-7021
Tues., Wed. & Thurs. (559) 662-6020

Tracy Kennedy

From: Robert Connal
Sent: Thursday, March 28, 2013 1:41 PM
To: Tracy Kennedy
Subject: RE: Answer: HOT OF THE PRESS !!

Hi Tracy,

I am fairly sure that the SO does not monitor the camera in your office, however I can't be absolutely positive. Yes we have 3 licenses as I recall, one is used by the mailroom and only monitors the loading dock. One is installed at the SO so their dispatch can monitor perimeter cameras. One was installed for Eric some time ago, however his PC was recently replaced so I am not sure he uses it anymore. If not, we can move that license over. Of course the camera at your front desk is not part of this system, and does not keep recordings. All other cameras I think retain recordings for about two weeks.

Before the vendor will allow us to add video monitoring licenses we are required to pay for an outstanding maintenance cost of $6,310.20. Administration is the responsbile department and I am fairly sure Kevin has the last cost estimate from Integrated Electronics. The best people to talk to about the security system in the building is either HR or Admin, they are traditionally the administrators of the system and generally interface with the vendor. My knowledge comes from implementing the SO monitoring so might not be as accurate as Admin/HR or even the vendor themselves. I can say that usually the vendor doesn't even want to talk with us in some cases unless we have paid for the maintenance agreement.

I know that this probably doesn't help much, but thats what I know.

Robert

From: Tracy Kennedy
Sent: Thursday, March 28, 2013 10:57 AM
To: Robert Connal
Subject: FW: Answer: HOT OF THE PRESS !!

Dear Robert;

Your name has been bandied (spelling?) about ....so.....Can you please hook me up so I can see what others see?

I can pay my pro rata share from the Treasury Admin Fee, if this is a security issue.

I'm very excited.

From: Glenna Jarvis
Sent: Wednesday, March 27, 2013 4:04 PM
To: Tracy Kennedy
Subject: RE: Answer

You're welcome!

Darin in CAO handles renewal of the agreement, from what Robert said. There are several cameras, but only three have DVR capabilities. The outside cameras feed directly to the SO, and they have someone monitoring in their department. They don't have DVR capabilities.

our best bet would be to talk to Robert Connal about the process and ask him if you should submit a work request. Robert would also be able to answer your other questions as to number of cameras covered by agreement. The cameras

Tracy Kennedy

From: Tracy Kennedy
Sent: Thursday, April 04, 2013 10:02 AM
To: Robert Connal
Subject: RE: Camera

Thanks Robert; Yes whatever is the most expedient option going forward.

If this camera is going to be a true security measure, then as the department head of the office where one of the cameras is located, ... I need to get MY camera up and operating and being properly maintained and monitored by me, the department head.

I can't believe that the county failed to pay maintenance on something as important as a security system?

If we were to purchase and install a lower cost option as is on my front tax counter, (which is wonderful by the way) then I would need some sort of assurances going forward that the unmonitored camera in question currently located in my office (operating or not?), will be disconnected and replaced by a better solution, and will no longer be a political chip of some sort to be used against me.

Again, thank you for facilitating this very important issue.

Tracy.

From: Robert Connal
Sent: Wednesday, April 03, 2013 4:12 PM
To: Tracy Kennedy
Subject: Camera

Hi Tracy,

I spoke with Kevin regarding your request to procure and install an additional camera viewing license, specifically for the camera located in the vault within your department. I suggested the following options for satisfying this request:

1. Admin proceeds with payment of system maintenance costs of $6,310.20 then procure a new license (I estimate $500 however we cannot get that cost until maintenance has been renewed)
2. Reallocate an existing license until such time as:
    a. The maintenance is renewed by Admin OR
    b. The maintenance is renewed by DCSS who is currently considering expanding our system to include their facility THEN
    c. Procure a new license and replace it on the PC that it was borrowed from

There is another option and that is to purchase another camera like what you have on the front counter and we can install that pretty much any time as long as cabling is available (or installed by maintenance). The upside to this approach is we can avoid the maintenance renewal issue and proceed relatively quickly and costs are much less (about $180) for this type of camera. The downside is there is no recording on this type of camera.

Thank you,

Robert

GOVERNMENT CODE - GOV

TITLE 3. GOVERNMENT OF COUNTIES [23000. - 33205.] *(Title 3 added by Stats. 1947, Ch. 424.)*

DIVISION 3. FINANCIAL PROVISIONS [29000. - 30608.] *(Division 3 added by Stats. 1947, Ch. 424.)*

CHAPTER 5. Warrants [29800. - 29878.] *(Chapter 5 added by Stats. 1947, Ch. 424.)*

ARTICLE 2. Payment and Registration [29820. - 29828.] *(Article 2 added by Stats. 1947, Ch. 424.)*

29820. When a warrant is presented for payment, if there is money in the fund for that purpose, the treasurer shall pay it by any of the following methods:

(a) By stamping thereon or perforating therein the word "Paid" and the date of payment.

(b) In accordance with those practices with respect to form, issuance, delivery, endorsement, and payment as approved by the governing board pursuant to Section 53910.

(c) By accepting the paid data per the treasurer's bank.

At the option of the treasurer, warrants may be payable at the treasurer's office or at any bank at which money of the county is deposited.

(Amended by Stats. 1993, Ch. 1187, Sec. 5. Effective January 1, 1994.)