

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Auditor-Controller *SK*

BOARD AGENDA # \*B-4

Urgent

Routine  *[Signature]*

AGENDA DATE June 28, 2011

CEO Concur with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Acceptance of the Accountant's Report on the Stanislaus County Treasurer's Statement of Assets as of March 28, 2011 prepared by the Auditor-Controller's Office

STAFF RECOMMENDATIONS:

Accept the Accountant's Report on the Stanislaus County Treasurer's Statement of Assets as of March 28, 2011. The report was prepared by the Auditor-Controller's Office in conformance with Government Code Section 26920 and 26922. The Statement of Assets was reviewed in conformity with Stanislaus County Treasury Pool Investment Policy and Government Code Section 53601.

FISCAL IMPACT:

There is no fiscal impact for the acceptance of the Accountant's Report on the Stanislaus County Treasurer's Statement of Assets as of March 28, 2011.

BOARD ACTION AS FOLLOWS:

No. 2011-384

On motion of Supervisor O'Brien, Seconded by Supervisor Chiesa

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:

*Christine Ferraro*

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk

File No.

**DISCUSSION:**

Government Code Section 26920 mandates the County Auditor review the Treasurer's Statement of Assets in the County Treasury at least once in each quarter. The review shall be accomplished and a report issued to the Board of Supervisors in accordance with the appropriate professional standards, as determined by the County Auditor. The review was performed in accordance with the International Professional Practices Framework established by the Institute of Internal Auditors.

Government Code Section 26920(b) further mandates the Auditor perform or cause to be performed an audit of the assets in the County Treasury at least annually and express an opinion whether the Treasurer's Statement of Assets is presented fairly and in accordance with Generally Accepted Accounting Principles. To meet this annual audit requirement the County determined the annual external financial audit complies with this mandate.

Additionally, Government Code Section 53601 provides restrictions and guidelines to define the type of investments authorized, maturity limitations, portfolio diversification (maximum percent of portfolio), credit quality standards, and purchase restrictions. All investments held in the County Treasury are physically reviewed for compliance during the quarterly review to ensure conformity with Government Code.

Upon acceptance of the Board of Supervisors, the report will be distributed to the Clerk of the Board as required by Government Code Section 26922.

**POLICY ISSUES:**

Government Code Section 26920 requires a quarterly review of the County Treasurer's Statement of Assets be performed by the Auditor. The Stanislaus County Treasurer's Investment Policy and Government Code Section 53601 provide the guidelines on authorized investments and percentage limits on those investments.

Approval of this agenda item is in alignment with the Board's priority of Efficient Delivery of Public Services.

**STAFFING IMPACT:**

There is no staffing impact associated with this agenda item.

**CONTACT PERSONS:**

Natalie Elliott, General Ledger Manager	525-6548
Lauren Klein, Auditor-Controller	525-6576

**STANISLAUS COUNTY  
TREASURER'S STATEMENT OF ASSETS**

AS OF MARCH 28, 2011



**AUDITOR-CONTROLLER**

**Lauren Klein**  
Auditor-Controller

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## ACCOUNTANT'S REPORT

June 3, 2011

Board of Supervisors  
County of Stanislaus  
Modesto, CA

We have reviewed the Treasurer's Statement of Assets of the County of Stanislaus, California as of March 28, 2011, as required by California State Code Section 26920 (a) and 26922. The County Treasurer is responsible for the Statement of Assets. The purpose of the review was to determine whether cash and investments held by the Treasurer, and as shown on the statement, were as stated.

Our review was conducted in accordance with the International Professional Practices Framework established by the Institute of Internal Auditors. These standards require that we plan and perform the review to provide sufficient, reliable, and useful evidence to achieve the objectives.

The Auditor-Controller is mandated by various statutes within the California Government Code to perform certain accounting, auditing, and financial reporting functions. These activities, in themselves, necessarily impair the auditor's independence. Although the Auditor-Controller is statutorily obligated to maintain the accounts of departments, districts or funds that are contained within the county treasury, we believe adequate safeguards and divisions of responsibility exist.

Based on our review, the statement referred to above presents, in all material respects, the Treasurer's Statement of Assets of the County of Stanislaus as of March 28, 2011.

Natalie Elliott  
Certified Public Accountant  
General Ledger Manager  
Auditor-Controller's Office  
County of Stanislaus

STANISLAUS COUNTY  
TREASURER'S STATEMENT OF ASSETS  
As of March 28, 2011

Cash and Investments per Auditor-Controller	\$ <u>1,124,178,126</u>
Cash in Treasury Per Cash Count:	
Cash on Hand:	
Currency and Coin	\$ 72,900
Checks	66
Active Bank Deposits	81,515,622
Bank Certificates of Deposit	10,000,000
Bankers Acceptances	156,763,745
Managed Pool Accounts	50,000,000
Medium Term Corporate Notes	160,794,281
U. S. Treasury and Federal Agency Securities	604,800,986
State of CA Revenue Anticipation Notes	60,230,526
Repurchase Agreements	0
Total Cash and Investments in Treasury	\$ <u>1,124,178,126</u>