

COUNTY OF PLACER

OFFICE OF AUDITOR-CONTROLLER

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September 23, 2010

Placer County Audit Committee c/o Placer County Board of Supervisors 175 Fulweiler Avenue Auburn, CA 95603

Re: Review of Business Credit Cards

The Internal Audit Division of the Auditor-Controller's Office performed a review of the risk associated with local business credit cards being obtained in the name of Placer County without manager/supervisor knowledge or approval. The objective of our review was to obtain an understanding of the ability for an employee, using information readily available, to open an account for the County and potentially begin to purchase items for personal use.

Based on our review, which consisted of inquiries of local business, obtaining knowledge of procedures employed by those establishments for opening a business credit card, and inquiry of the accounts payable division for any unauthorized credit card payments, we feel the risk has been mitigated at this time.

The Internal Audit Division will continue to monitor the potential use of unauthorized business credit card usage and perform other continuous auditing procedures on a regular basis as workload and staffing permit.

Sincerely,

Nicole C. Howard, CPA Internal Audit Manager

cc: Katherine Martinis, Auditor-Controller