

COUNTY OF PLACER

OFFICE OF AUDITOR-CONTROLLER

KATHERINE J. MARTINIS, CPA Auditor-Controller E-mail: kmartini@placer.ca.gov

ANDREW C. SISK, CPA Assistant Auditor-Controller E-mail: asisk@placer.ca.gov

May 3, 2011

Mr. Edward Bonner, Sheriff Placer County Sheriff's Office 2929 Richardson Drive Auburn, CA 95603

Re: Inmate Welfare Trust Review

Dear Sheriff Bonner:

The Internal Audit Division of the Auditor-Controller's Office performed a review of controls over collections and distributions from the Inmate Welfare Trust Fund at Placer County Jail for the fiscal year ended June 30, 2010.

The objectives of our review were to determine whether adequate controls are in place to ensure that all funds collected at the Jail on behalf of Placer County Jail inmates are properly verified and recorded, that cash is properly safeguarded and is handled in dual custody, that all receipts are independently verified and deposited timely into a separate bank account and properly recorded in a designated Trust Fund, and that all expenditures from the Trust Fund are adequately supported, authorized, and are allowable per applicable Penal Code. Our review consisted of interviewing the Jail personnel as well as Sheriff Department's (Department) general administration and accounting staff, and testing of collection and payment transactions.

Based on the data obtained and procedures performed, except as noted below, it appears that adequate controls are in place at the Placer County Jail to ensure that all funds collected on behalf of inmates of Placer County Jail are properly verified and recorded, safeguarded, and deposited timely and intact into a separate bank account and recorded in a separate Trust Fund in the County's accounting system; and, all revenues collected and funds expended from the Trust are allowable and in accordance with the Penal Code Sections 4000-4030.

Our findings and recommendation are as follows:

Commissary Contract

On March 1, 2005, the Department entered into a contract with Canteen Food Services to provide commissary services to Placer County Jail inmates as prescribed by the Penal Code 4025. The original contract had a 3 year term with an option to renew the contract for 2 (two) additional 1 (one) year periods. The Department had exercised the option via Amendment 1 to extend the contract for 1 (one) year, through March 31, 2009, at which point the contract expired with no further amendments. Since April 1, 2009 the Department has been transacting with Canteen Food Services without a contract on file. During the course of the review, the Department entered into a new 3 (three) year contract with Canteen Food Services, effective June 1, 2011 through May 31, 2014. The contract was approved by the County Board of Supervisors on May 3, 2011.

We recommend the Department monitor the contract and exercise amendments or enter into a new contract prior to the expiration of the current contract.

Department Response:

Based on the findings, the Department has entered into a new 3 year contract with Canteen Food Services. The Sheriff's Office Fiscal Management Unit will now be responsible for monitoring this contract.

The Department's response to the recommendation identified in our review is described above. We did not audit the Department's response and, accordingly, we express no opinion on it.

We appreciate the Department staff's courtesy and cooperation throughout the course of this review.

Nicole C. Howard, CPA

Internal Audit Manager

cc: Janice Gage, Administrative Services Manager, Sheriff's Office Elisabeth Zmyslowski, Senior Accountant-Auditor, Sheriff's Office Katherine Martinis, Auditor-Controller Placer County Audit Committee