



## COUNTY OF SAN LUIS OBISPO

AUDITOR • CONTROLLER • TREASURER • TAX COLLECTOR

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TO: DAN BUCKSHI, COUNTY ADMINISTRATIVE OFFICER  
FROM: [REDACTED] INTERNAL AUDITOR (via email)  
RE: JULY 28<sup>TH</sup> MEETING WITH VETERANS' SERVICES

August 7, 2014

On July 28<sup>th</sup>, [REDACTED] met with Dana Cummings of the County Veterans' Services Department regarding a violation of the County Cash Handling Policy's requirement for frequency of deposits.

During the meeting, we discussed additional concerns including:

- Cash donations being taken without receipts being given
- Cash donations not being deposited into the County Treasury, but instead spent directly for supplies
- Lack of an endorsement stamp for checks
- Potentially excessive Director reimbursements
- Miscoding of expenditures
- No draw down of the Stand Down donations trust account to offset expenditures

We provided Mr. Cummings with a copy of the County Cash Handling Policy, and directed him to pay particular attention to the portions relating to Payments Received through the Mail and Deposits of Payments. We advised him that he and any staff and volunteers who handle checks or cash in Veterans' Services should read the policy and sign the acknowledgement form.

Additionally, we strongly stated that cash donations should never be accepted without issuing a receipt and that all cash donations must be deposited in the County Treasury. We told him that all checks must be endorsed upon receipt. After the meeting I went to the Treasury with Mr. Cummings and ensured that he received a receipt book and placed an order for an endorsement stamp for checks.

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Mr. Cummings had approximately \$8,000 of reimbursements in FY 2013-14. He stated that the reimbursements were primarily for travel and supplies charged to his County American Express Card. We encouraged him to utilize purchase orders as much as possible for supplies, and we helped him request a petty cash fund for minor purchases so that will be authorized and monitored. We will review the petty cash fund requirements with him next week. We also suggested that he review the proper accounts for expenditures rather than coding mostly to professional and special services so that he may better track the types of expenditures being made.

Lastly we asked him why we did not see any of the Stand Down donations that were deposited in the trust account being brought into the General Fund. Mr. Cummings said that the donations had not been needed because Veterans' Services had secured grant funding to cover the costs of the Stand Down events. Currently there is approximately \$31,000 in the trust account.

Please let me know if you have any questions or wish additional information.