



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Supervisors
County of San Bernardino, California

We have performed the procedures enumerated below, which were agreed to by the County of San Bernardino, California (County) (the specified party), related to the County's compliance with the requirements of Article V, Sections 1 and 8, of the County of San Bernardino Charter (Charter) as of December 31, 2018. The County's management is responsible for its compliance with those specified requirements. The sufficiency of these procedures is solely the responsibility of the specified party. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and associated findings are as follows:

In accordance with Article V, Section 1:

1. Procedure: Determine if the Auditor-Controller/Treasurer/Tax Collector made and filed with the County Auditor a detailed inventory of all property belonging or pertaining to his office, received from by his predecessor.

Finding: We noted that a detailed inventory was filed as of December 31, 2018. No exceptions were found as a result of this procedure.

2. Procedure: Determine if the County Auditor has maintained a property account for the Auditor-Controller/Treasurer/Tax Collector, who shall be charged with all property received by him from his predecessor and all property thereafter received.

Finding: We noted that the County Auditor maintained three separate property accounts for fixed assets, cash, and investments. No exceptions were found as a result of this procedure.

In accordance with Article V, Section 8:

3. Procedure: Determine if the cash accounts maintained by the Treasurer's Office are properly reconciled and that the reconciliations were prepared in a timely manner (within 30 days after the month end).

Finding: We noted the most recent reconciliation prepared for the consolidated banking account was dated July 2018. No other exceptions were found as a result of this procedure.

4. Procedure: Determine whether certain internal controls over the claims processing function are operating as designed by selecting a sample of 40 claim payments made between July 1, 2018 through December 31, 2018 and determine if each claim payment was properly authorized, supported by valid documentation and that the claim expenditure was properly recorded in the general ledger.

Finding: No exceptions were found as a result of this procedure.

5. Procedure: Determine that the fixed assets and cash, listed as part of the Certified Statement of Assets Transferred (CSAT) are adequately supported.

Finding: No exceptions were found as a result of this procedure.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the County of San Bernardino, and is not intended to be, and should not be, used by anyone other than this specified party.

Vavrinik, Trine, Day & Co. LLP

Rancho Cucamonga, California
January 23, 2019