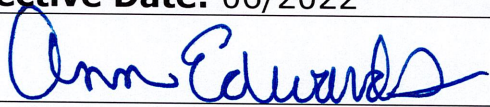
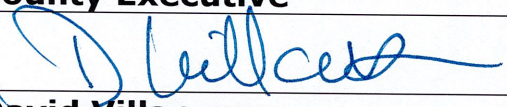
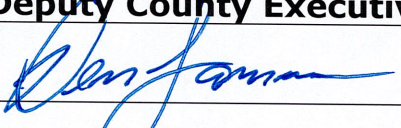
		Policy # 1952
Subject: Change of Custody Review for Department Director Change		
Responsible Department: Department of Finance		
Effective Date: 06/2022		Revision Date:
		
Ann Edwards County Executive		
		
David Villanueva Deputy County Executive		
		
Ben Lamera Director of Finance		

1. Purpose

When a Department Director vacates an office, the Department's custodian of assets changes as well. Accordingly, for the purposes of accountability and safeguarding County assets, Department of Finance, Internal Audit Unit (IAU) shall perform agreed-upon procedures (AUP) to review the change of custody of the Department's assets.

2. Authority

Sacramento County Charter, Article IX, Section 44 Auditor.
 California Government Code 24051.

3. Scope

IAU shall perform AUP to verify the existence and balances of a Department's assets for change of custody.

The AUP may cover all the Department's assets (cash, receipts, capital assets, and other assets). Or IAU may select a sample of assets from the total assets to perform the AUP. The AUP is preferred to be performed on the last working day of the outgoing Department Director.

Change of Custody Policy Number 1952

The AUP may include the following procedures:

- Confirm asset balances from the Department's records
- Compare the Department's records to Sacramento County Financial System (a.k.a COMPASS) records
- Inspect the existence of assets
- Verify assets are in the possession of the Department
- Other procedures as necessary

4. Procedures

Upon notification of a Department Director vacating the office, IAU shall perform an AUP for change of custody.

1) IAU will provide an engagement letter specifying the details of the AUP to the Department prior to performing the AUP.

2) IAU will perform the AUP fieldwork.

3) After the AUP fieldwork is complete, IAU will provide a discussion draft report for the Department to review.

4) The Department will be expected to provide its management responses to findings and recommendations (if applicable) and a management representation letter within two weeks upon receipt of the discussion draft.

5) After the AUP report is completed, the report will be submitted to Sacramento County Audit Committee for review.

The AUP report will be also uploaded to Department of Finance's public website and submitted to the Board of Supervisors.

If another change in Director occurs in a department within three months from the date of a previous change, AUP is not required for the subsequent change. Change in Directors less than a year will be evaluated by Department of Finance to determine if an AUP (Change of Custody Review) is necessary.

5. Review

Review annually and revise for any changes in guidance from the aforementioned authorities above