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July 12, 2013

The Honorable D. Lynn Jones
Presiding Judge, Madera County Superior Court
209 W. Yosemite Avenue
Madera, California 93637



RE: Response to 2012-13 Madera County Grand Jury Final Report
Complaint Regarding County Administration and Finance

Please allow this document to serve as the response from the County Auditor-Controller to the findings and recommendations in the Grand Jury Report entitled "Complaint Regarding County Administration and Finance."

Finding a. The Madera County appointed Auditor-Controller is sufficiently staffed to accomplish the work of the department.

Response:

While we have currently filled most of the positions available in our department budget, our staff still lacks the specific training necessary to accomplish the work of the department. The Auditor-Controller office staff is also hampered in their duties by a less-than-adequate software program that generates our general ledger and financial information.

Finding b. The Madera County appointed Auditor-Controller made some improvements in the operation of the department.

Response:

We are continually working to improve this department and solve problems as they come along.

Finding c. The Madera County appointed Auditor-Controller needs to become less autocratic and communicate more effectively with peers.

Response:

Most department heads have the responsibility to make decisions that may appear to be "autocratic," however; the Auditor-Controller usually discusses any decision made with the Assistant and/or Deputy Auditor-Controller, or another Department Head. The Auditor-Controller's office is working with the other Department Heads in the County to improve communications and inform the departments why certain changes are necessary. We believe this communication has improved considerably in the past six months.

Finding d. The Madera County appointed Auditor-Controller made procedural changes without notice to affected departments.

Response:

See response to Finding c.

Finding e. The Madera County appointed Auditor-Controller misled the BoS by stating that the delay in filing the Single Audit was due to the Cash Account Balance issue in the Treasurer's Department, when in fact, there were other unrelated accounting issues in the Auditor's office that delayed the audit.

Response:

The Auditor-Controller never misled the Board—they were well aware of the delays in the audit. They knew that part of the delay was the lack of seasoned staff in the Auditor-Controller's office. In addition, the outside Auditor (Gallina LLP) suspended the audit fieldwork due to our inability to balance year-end cash in the general ledger to the bank statements. During the fiscal year under audit, when the Treasurer's office pulled cash out of deposits on a daily basis and did not communicate these adjustments or attempt to provide a reconciliation of the increases and decreases to Treasury vault cash, to the Auditor, we could not balance our general ledger to the bank accounts. This issue, in addition to other accounts that were affected by year-end adjustments between funds and accounts, was an integral part in the delay of the annual audit.

Finding f. The Madera County appointed Auditor-Controller has taken no action to incorporate the cash accounting process with the County general ledger.

Response:

Early in my appointment, while reading about the IFAS software, I inquired about this process with the previous Interim Auditor-Controller and was informed that the Treasurer would not utilize the software and was not sure that the module would actually work due to the age of our system. While the IFAS module may not be a fully workable solution due to software constraints, we are working with the Treasury to resolve the cash accounting process issues and are making substantial progress towards communicating our needs to the Treasurer's office and they are currently responding.

Sincerely,



Marcia B. Hall
Auditor-Controller