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TO: SAN LUIS OBISPO COUNTY TREASURY OVERSIGHT COMMITTEE

FROM: GERE SIBBACH, AUDITOR CONTROLLER

VIA: JAMES P. ERB, ASSISTANT AUDITOR-CONTROLLER J. E.

DATE: OCTOBER 5, 2012

SUBJECT: COMPLIANCE AUDIT OF THE SAN LUIS OBISPO COUNTY TREASURER'S INVESTMENT POLICY AND OVERSIGHT PROCEDURES

Our office recently completed a compliance audit of the San Luis Obispo County Treasurer's Investment Policy and oversight procedures for the fiscal year ended June 30, 2012.

Purpose

The purpose of our audit was to determine if the San Luis Obispo County Treasurer Oversight Committee, Treasurer, and Treasurer's Investment Policy were in compliance with the Board of Supervisors' Resolutions 2007-303, 96-48, and 96-49 for the fiscal year ended June 30, 2012.

Scope

Our audit included a review of the County Treasury Oversight Committee (CTOC) minutes from the annual meeting and the members' applications for membership to determine compliance with duties and restrictions, as well as criteria for membership.

The Quarterly Reports of Investments were reviewed to determine timely filing of the reports and completeness of the information presented. Total amount of the quarterly investments were reconciled to their respective Treasurer's Daily Report and 20% of the investments represented were tested to determine accuracy of valuation.

The Investment Policy was reviewed to determine compliance with Resolution 96-49 and the internal controls of investment policies, procedures, and separation of duties were evaluated.

Results

We determined the CTOC, Treasurer, and Investment Policy to be in compliance with the Board of Supervisors' Resolutions 2007-303, 96-48, and 96-49, for the year ended June 30, 2012.

We would like to thank the County Treasurer and his staff for their cooperation during our audit.