Stanislaus County
Striving to be the Best

AUDITOR-CONTROLLER

Lauren Klein
Auditor-Controller

1010 10th Street, Suite 5100, Modesto, CA 95354
PO Box 770, Modesto, CA 95353-0770
Phone: 209.525.6398 Fax: 209.525.6487

RC 6/30/11

June 23, 2011

Presiding Judge Ricardo Cordova
Superior Court – Stanislaus County
PO Box 3488
Modesto, CA. 95353

SUBJECT: AUDITOR-CONTROLLER RESPONSE 2010-2011 STANISLAUS COUNTY CIVIL GRAND JURY FINAL REPORT

This letter will serve as the Auditor-Controller's response to the Grand Jury Final Report for the 2010-2011 year.

We have included the Grand Jury findings and recommendations followed by our response.

Special District Audit Requirement – Grand Jury Case number 11-32GJ

Findings

F2: Of the thirty-six special districts, seven are not in compliance with their audit requirement. The following special districts are in the process of completing their audit.

- West Port Fire
- Woodland Fire
- Riverdale Park Community Service

The following are not in compliance and do not have a plan of correction in place as of March 31, 2011:

- Knights Ferry Community Service
- Monterey Park Community Service
- East Stanislaus Resource Conservation
- Sand Creek Flood Control

The respondent agrees with the finding.

F3. There has not been an audit conducted of the Monterey Park Community district since 1995.

The respondent agrees with the finding.

Recommendations

R2. The Stanislaus County Auditor-Controller contacts the following Special Districts and develop a timeline to ensure the completion of the required audits.

- Knights Ferry Community Service
- East Stanislaus Resource Conservation
- Sand Creek Flood Control

The recommendation has not been implemented, but will be implemented within the next year. The three districts listed above have been contacted. The Stanislaus County Auditor-Controller will monitor the progress of these required audits to ensure completion.

R3. The Stanislaus County Auditor-Controller hire a qualified forensic accounting firm to complete an audit of the Monterey Park Community District.

The recommendation has not been implemented, but will be implemented within the next year. The Stanislaus County Auditor-Controller will be attending a District meeting and working with the District to determine a plan of correction. In addition, the Stanislaus County Auditor-Controller has contacted a public accounting firm with preliminary information regarding the audit. The Stanislaus County Auditor-Controller will monitor the progress of and facilitate the completion of the audit.

Lauren Klein

Lauren Klein, CPA
Auditor-Controller

C: Honorable William O'Brien, Supervisor – District 1
Honorable Vito Chiesa, Supervisor – District 2
Honorable Terry Withrow, Supervisor – District 3
Honorable Dick Monteith, Supervisor – District 4
Honorable Jim DeMartini, Supervisor – District 5
Rick Robinson, Chief Executive Officer