

Bighorn-Desert View Water Agency

Board of Directors

Terry Burkhart, President
J. Larry Coulombe, Vice President
Michael McBride, Director
David Larson, Director
Judy Corl-Lorono, Director



Agency Office
622 S. Jemez Trail
Yucca Valley, CA 92284-1440

760/364-2315 Phone
760/364-3412 Fax

Marina D West, P.G., General Manager

www.bdvwa.org

A Public Agency

**THE BOARD OF DIRECTORS
FINANCE/PUBLIC RELATIONS/EDUCATION
AND PERSONNEL COMMITTEE
MEETING AGENDA**

BOARD MEETING OFFICE
1720 N. Cherokee Trail, Landers, CA 92285
Wednesday, March 9, 2011 - 4:00 p.m.

The BDVWA Finance/Public Relations/Education & Personnel Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of strict compliance with the Brown Act. Members of the Board not assigned to the Finance/Public Relations/Education & Personnel Committee may participate as observers at the meeting.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. APPROVAL OF THE AGENDA**
- 5. PUBLIC PARTICIPATION**

Any person may address the Board on any matter within the Agency's jurisdiction on items not appearing on this agenda.

When giving your public comment, please first state your name and have your information prepared. Due to time constraints, a three-minute time limit may be imposed.

Per Government Code Section 54954.2, any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting, should contact the Board's Secretary at 760-364-2315 during Agency business hours. You may wish to submit your comments in writing to assure that you are able to express yourself adequately.

DISCUSSION AND ACTION ITEMS - The Committee and Staff will discuss the following items and consider taking action, if so inclined.

The Public is invited to comment on any item on the agenda during discussion of that item.

6. APPOINTMENT OF COMMITTEE CHAIR

7. UPDATE ON CREDIT CARD FEES AND EXPENSES

8. UPDATE ON AGENCY BAD DEBT 'WRITE-OFFS' AND EXPENSE OF BAD DEBT

9. AUDITORS RECOMMENDATIONS FOR CONSIDERATION

10. AUDIT RECOMMENDATION ON ETHICAL CULTURE: POLICY/PROCEDURE FOR FRAUD IN THE WORKPLACE TO BE INCORPORATED INTO THE EMPLOYEE HANDBOOK

11. VERBAL REPORTS

COMMITTEE MEMBERS' COMMENTS/REPORTS

GENERAL MANAGER'S REPORT

12. ITEMS FOR NEXT AGENDA

ADJOURNMENT

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Bighorn-Desert View Water Agency, 622 S. Jemez Trail, Yucca Valley, CA not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Agency Secretary. Backup material for the Agenda is available at the Agency offices for public review and can be viewed online at the Agency's website: www.bdvwa.org.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda, and can be reviewed at www.bdvwa.org. Copies of these materials and other discloseable public records distributed to all or a majority of the members of the Board of Directors in connection with an open session agenda item are also on file with and available for inspection at the Office of the Agency Secretary, 622 S. Jemez Trail, Yucca Valley, California, during regular business hours, 8:00 A.M. to 4:30 P.M., Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Bighorn-Desert View Water Agency.

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE
FINANCE/PUBLIC RELATIONS/EDUCATION/PERSONNEL
AGENDA ITEM SUBMITTAL**

Meeting Date: March 9, 2011

To: Financial/PR/Education/Personnel Comm. **Budgeted:** No
Board of Directors **Budgeted Amount:** \$6,000
Cost: \$4,237.59
Funding Source: line item 01-56022

From: Marina D. West **General Counsel Approval:** N/A
CEQA Compliance: N/A

Subject: Update on Agency Bad Debt "Write-off"

SUMMARY

The established policy for the approval of the expense of bad debt identifies two categories of bad debt. One method involves forwarding the debt to the County of San Bernardino for collections through a property tax lien imposed on the delinquent property. The other method uses a collections agency because the debts cannot clearly be tied to a property (eg. bulk accounts). In addition, the internal policy is to ignore all debts under \$25. In any event, the running total of bad debt expense shall be submitted to the Board of Directors for acknowledgement of the bad debt expense. The total amount of bad debt "write-off" is \$4,237.59.

Staff will update the committee on the status of the bad debt with a recommendation that the information be brought to the Board for acknowledgement on March 22, 2011. This action will not include any accounts that will ultimately go through the property tax lien process. Those accounts will be brought to the Board for a public hearing no sooner than May 2011.

RECOMMENDATION

Agendize for the March 22 Board Meeting:

1. Approval of Bad Debt expenses write-off in the amount of \$4,237.59 for the period 2009 to present.

BACKGROUND/ANALYSIS

This report concerns the categories of accounts that are being "written-off" because the amount is less than \$25 per account or they cannot be tied to a property but can be sent to a collections agency.

In the first category, there are a total of 53 accounts which all had a balance of less than \$25. The total "write-off" for these accounts is \$384.09.

In the second category there are accounts which have closed since 2009. Staff's analysis shows several issues in trying to link these balances to the current owner: 1) properties have turned over ownership several times; 2) properties sold and the old owner failed to pay their closing bill; 3) tenant belonged to an old owner and failed to pay their closing bill or 4) a bulk account which is not tied to a property. Staff feels it is inappropriate to charge the current owner for these reasons. The original debtor has been sent a 30-day notice indicating our intent to forward the debt to a collections agency. These represent 37 accounts with a total balance of \$3,853.50. These accounts will be sent to a collection agency.

This action will not include any accounts that will ultimately go through the property tax lien process. Those accounts will be brought to the Board for a public hearing no sooner than May 2011. However, for reference, the total amount currently in that category is \$39,730.25.

Staff is recommending that these amounts be sent to the full Board for acknowledgement of the total bad debt "write-off" of \$4,237.59 with a total of \$3,853.50 being sent to the collections agency.

PRIOR RELEVANT BOARD ACTION(S)

6/29/2010 10R-05 Resolution confirming reports of delinquent accounts for water charges, meter charges, bonded indebtedness, and processing fees and authorizing the placement of property liens on the secured tax rolls of San Bernardino County for collection of delinquencies within Bighorn Desert View Water Agency

9/16/09 09P-03 A Policy Statement of the Board of Directors establishing a policy for the approval of the expense of bad debt.

POLICY STATEMENT NO. 09P-03

A POLICY STATEMENT OF THE BOARD OF DIRECTORS OF THE BIGHORN-
DESERT VIEW WATER AGENCY ESTABLISHING A POLICY FOR THE
APPROVAL OF THE EXPENSE OF BAD DEBT

The Board of Directors of the Bighorn-Desert View Water Agency desires to implement a policy for the processing of uncollectible customer debt.

Whereas, on an annual basis the Agency incurs approximately .5% of its total Accounts Receivables in bad debt.

Whereas, in accordance with Generally Accepted Accounting Practices it is necessary to expense annually a percentage of accounts receivables to bad debt.

Therefore, the Board of Directors of the Bighorn-Desert View Water Agency hereby establishes the following steps necessary prior to the annual consideration of bad debt expense authorization-

1. Per Article 11.2 of the Agency Rules and Regulations for Water Service, the owner of each separate premises is ultimately responsible for the payment of all applicable water service charges.
2. Thirty (30) days following the billing delinquent date, the Owner shall be notified in writing that the account is past due and that the Owner must assume responsibility for the outstanding balance.
3. At least once per year, all accounts greater than sixty (60) days delinquent will be forwarded to County of San Bernardino for collections through a property tax lien imposed on the delinquent property.
4. Delinquent account records shall be retained indefinitely for future collection efforts. In accordance with Agency Rules and Regulations payment in full shall be required by the delinquent account holder prior to establishing a new account with the Agency.
5. At least once per year, the running total of bad debt expense shall be submitted to the Board of Directors for acknowledgement of the bad debt expense.

Policy Statement No. 09P-03 was adopted at a special Board meeting held on September 16, 2009 and hereby rescinds Policy 04P-01.

Joanne L Keiter, Board Secretary



Mayer Hoffman McCann P.C.

An Independent CPA Firm

2301 Dupont Drive, Suite 200

Irvine, California 92612

949-474-2020 ph

949-263-5520 fx

www.mhm-pc.com

Board of Directors
Bighorn-Desert View Water Agency
Yucca Valley, California

RECOMMENDATIONS FOR CONSIDERATION

In planning and performing our audit of the financial statements of the **Bighorn-Desert View Water Agency** (the "Organization") as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The matters below conform to this definition.

During the course of our audit testing, we noted the following matters that provide an opportunity for the Agency to enhance its existing internal controls.

(1) Positive Pay

The Agency does not use positive pay. Positive pay is a process by which an organization's bank would be electronically provided a list of check numbers and check amounts that the bank would be authorized to allow to process for payment. The bank's software would not permit any other disbursements to be charged to the Organization's bank account. This process significantly reduces the risk of check fraud performed by an outside party or by a Agency employee acting beyond the scope of his or her authority.

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Recommendation

We recommend that the Agency consider the use of positive pay for its bank accounts. In evaluating this option, the Agency should weigh the cost of this additional bank service to the benefits derived from its use.

Management's Comments Regarding Corrective Actions Planned

Management will explore this option and provide the Finance Standing Committee an opportunity to evaluate and make recommendation to the full Board.

(2) Lock Box

The Agency does not use a "lock box" service for collecting its revenues. A lock box service significantly reduces the risk of theft of funds by employees of the Agency. Under a lock box service, all customers would be instructed to remit payment to a P.O. box under the control of the Agency's bank. The bank would immediately deposit the collected funds into the Agency's checking account and electronically remit to the Agency for down-loading into its accounts receivable software an electronic posting of all customer payments (with customer account number identification, etc.). This control virtually eliminates the risk of theft by Agency employees with respect to Agency revenues and significantly reduces the cost of data entry for customer payments.

Recommendation

We recommend that the Agency consider the use of a lock box service with a bank.

Management's Comments Regarding Corrective Actions Planned

Management will explore this option and provide the Finance Standing Committee an opportunity to evaluate and make recommendation to the full Board.

(3) Inventory Controls

The inventory custodian currently performs data entry for service orders that involve inventory requisitions. He also has system access rights to make adjustments to inventory records. Internal control is maximized when those persons that have physical access to inventory do not also have the ability to adjust the inventory data recorded in the system.

Recommendation

Someone other than the investment custodian should perform the data entry for service orders in order to properly record the utilization of inventory.

System access rights should be changed so that the investment custodian is not able to perform this function. He should also not be able to make adjustments to inventory data recorded in the system.

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We also recommend that physical inventories be performed or supervised by an individual other than the custodian.

Management's Comments Regarding Corrective Actions Planned

The inventory procedure will be evaluated to determine methods for minimizing theft of inventory.

(4) Bank Reconciliations

Bank reconciliations of the Agency are performed by the individual that performs data entry for cash disbursements. Best practice provides that reconciliations be performed by individuals that are not involved in the creation of cash disbursements and that do not have direct or indirect access to the funds in the bank account. If that is not possible due to the limited number of personnel of the Agency, we propose the following procedures to reduce the risk of fraud due to unauthorized cash disbursements.

Recommendation

We recommend that someone other than the person that performs data entry for the creation of cash disbursements perform a monthly on-line review of cancelled checks on the bank's web site to ascertain that all checks that cleared the Agency's bank account were signed by an authorized check signer. The signature of an authorized check signer is an important control to reduce the risk of unauthorized cash disbursements.

The General Manager currently reviews and signs the bank reconciliation. We recommend that in conjunction with that review the General Manager also agree the total of the reconciled bank balances for all accounts of the Agency to the total reported in the Agency's general ledger for cash and investments.

Management's Comments Regarding Corrective Actions Planned

Management will implement a procedure for someone other than the person that performs data entry for the creation of cash disbursements to perform a monthly on-line review of cancelled checks received on CD from the bank.

(5) Ethical Culture

New auditing standards recommend that organizations consider certain best practices to reinforce a strong ethical culture. Accordingly, we recommend that the Agency consider inclusion of the following into its Employee Handbook:

1. Consider communicating to all employees the process to be followed (who to report to, when to report, etc.) when an employee observes violations of Agency policy or other unethical conduct
2. Consider development of an ethics/fraud policy (code of conduct). Consider giving to employees when hired. Consider having employees sign.

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3. New employee orientation to include emphasis on ethical conduct
4. Consideration of ethical conduct during employee evaluations
5. Annual message from General Manager stressing importance of ethical conduct

Management's Comments Regarding Corrective Actions Planned

Management will proceed with implementation of the recommendation including involvement of the Personnel Standing Committee with respect to any updates to the Employee Handbook concerning Ethics Code of Conduct.

* * * * *

This communication is intended solely for the information and use of management, the governing board, others within the organization, and various funding agencies and is not intended to be used by other parties. The Organization's written response to the matters identified herein have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them. Corrective actions taken to resolve the matters identified above are addressed during the following year's audit.

Margaret Hoffman McLean, P.C.

February 8, 2011
Irvine, California

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE
FINANCE/PUBLIC RELATIONS/EDUCATION/PERSONNEL
AGENDA ITEM SUBMITTAL**

Meeting Date: March 9, 2011

To: Financial/PR/Education/Personnel Comm.
Board of Directors

Budgeted: No
Budgeted Amount: N/A
Cost: \$0
Funding Source: N/A

From: Marina D. West

General Counsel Approval: Under Review
CEQA Compliance: N/A

Subject: Audit Recommendation on Ethical Culture: *Policy/Procedure for Fraud in the Workplace* to be incorporated into the Employee Handbook

SUMMARY

The Auditors have recommended that the Agency consider certain best practices to reinforce a strong ethical culture. To that end, staff has developed a *Policy/Procedure for Fraud in the Workplace*. This policy is directed towards Agency employee behavior and therefore will be incorporated into the Employee Handbook.

RECOMMENDATION

Agendize for the March 22 Board Meeting:

1. Adopt Resolution 11R-XX Amending the Employee Handbook to include a *Policy/Procedure for Fraud in the Workplace* for purposes of establishing the rules and procedures for the conduct of Personnel/Human Resources matters and authorizing modification thereof.

BACKGROUND/ANALYSIS

No further analysis provided.

PRIOR RELEVANT BOARD ACTION(S)

11/17/09 09R-20 Resolution adopting the Employee Handbook for purposes of establishing the rules and procedures for the conduct of Personnel/Human Resources matters and authorizing modification thereof.

BIGHORN DESERT VIEW WATER AGENCY

FRAUD IN THE WORKPLACE POLICY/PROCEDURES

PURPOSE AND SCOPE

To establish policy and procedures for clarifying acts that are considered to be fraudulent, describing the steps to be taken when fraud or other related dishonest activities are suspected, and providing procedures to follow in accounting for missing funds, restitution and recoveries.

I. GENERAL

A. The Bighorn Desert View Water Agency ("Agency") is committed to protecting its assets against the risk of loss or misuse. Accordingly it is the policy of the Bighorn Desert View Water Agency to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the Agency and, when appropriate, to pursue legal remedies available under the law.

B. DEFINITIONS

1. Fraud- Fraud and other similar irregularities include, but are not limited to:
 - a. Claim for reimbursement of expenses that are not job-related or authorized by the current bargaining agreement.
 - b. Forgery or unauthorized alteration of documents (checks, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, etc.).
 - c. Misappropriation of City assets (funds, securities, supplies; furniture, equipment, etc.).
 - d. Improprieties in the handling or reporting of money transactions.
 - e. Authorizing or receiving payment for goods not received or services not performed.
 - f. Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of City-owned software.
 - g. Misrepresentation of information on documents.
 - h. Any apparent violation of Federal, State, or Local laws related to dishonest activities or fraud.
 - i. Any violation of the Fair Political Practices Act, regulation of the Fair Political Practices Commission, or the Bighorn Desert View Water Agency Conflict of Interest Code.
 2. Employee- In this context, employee refers to any individual or group of individuals who receive compensation, either full- or part-time, from the Bighorn Desert View Water Agency. The term also includes any volunteer who provides services to the Agency through an arrangement with the Agency.
 3. Management-In this context, management refers to any administrator, manager, director, supervisor, or other individual who manages or supervises funds or other resources, including human resources.
 4. Personnel Department-In this context, Personnel Department refers to any person or persons assigned by the General Manager to investigate any fraud or similar activity.
 5. External Auditor - In this context, External Auditor refers to independent audit professionals who perform annual audits of the Agency's financial statements.
- C. It is the Agency's intent to fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, and length of service or relationship with the Agency of any party who might be or become involved in or becomes the subject of such investigation.
- D. Each department of the Agency is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud,

misappropriations, and other irregularities. Management should be familiar with the types of improprieties that might occur within their area of responsibility and be alert for any indications of such conduct.

- E. The Personnel Department, in conjunction with the Agency Attorney, has the primary responsibility for the investigation of all activity as defined in this policy.
- F. Throughout the investigation, the Personnel Department will inform the General Manager of pertinent investigative findings.
- G. Employees will be granted whistle-blower protection when acting in accordance with this policy. When informed of a suspected impropriety, neither the Agency nor any person acting on behalf of the Agency shall:
 - 1. Dismiss or threaten to dismiss the employee,
 - 2. Discipline, suspend, or threaten to discipline or suspend the employee,
 - 3. Impose any penalty upon the employee, or
 - 4. Intimidate or coerce the employee.Violations of the whistle-blower protection will result in discipline up to and including dismissal.
- H. Upon conclusion of the investigation, the results will be reported to the General Manager.
- I. The General Manager, following review of investigation results, will take appropriate action regarding employee misconduct. Disciplinary action can include termination, and referral of the case to the District Attorney's Office for possible prosecution.
- J. The Agency will pursue every reasonable effort, including court ordered restitution, to obtain recovery of Agency losses from the offender, or other appropriate sources.

III. PROCEDURES

- A. Board of Directors Responsibilities
 - 1. If a member of the Board of Directors has reason to suspect that a fraud has occurred, he or she shall immediately contact the General Manager (or contact the Agency Attorney or Personnel Director if the General Manager is involved).
 - 2. The Board member shall not attempt to investigate the suspected fraud or discuss the matter with anyone other than the General Manager.
 - 3. The alleged fraud or audit investigation shall not be discussed with the media by any person other than through the General Manager in consultation with the Agency Attorney and the Personnel Department.
- B. Management Responsibilities
 - 1. Management is responsible for being alert to, and reporting fraudulent or related dishonest activities in their areas of responsibility.
 - 2. Each manager should be familiar with the types of improprieties that might occur in his or her area and be alert for any indication that improper activity, misappropriation, or dishonest activity is or was in existence in his or her area.
 - 3. When an improper activity is detected or suspected, management should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.
 - 4. If management determines a suspected activity may involve fraud or related dishonest activity, they should contact their immediate supervisor (or contact the Agency Attorney or Personnel Director if the supervisor is involved).
 - 5. Department Directors should inform the General Manager (or contact the Agency Attorney or Personnel Director if the General Manager is involved).

6. Management should not attempt to conduct individual investigations, interviews, or interrogations. However, management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions.
7. Management should support the Agency's responsibilities and cooperate fully with the Personnel Department, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.
8. Management must give full and unrestricted access to all necessary records and personnel. All Agency furniture and contents, including desks and computers, are open to inspection at any time. There is no assumption of privacy.
9. In dealing with suspected dishonest or fraudulent activities, great care must be taken. Therefore, management should avoid the following:
 - a. Incorrect accusations.
 - b. Alerting suspected individuals that an investigation is underway.
 - c. Treating employees unfairly.
 - d. Making statements that could lead to claims of false accusations or other offenses.
10. In handling dishonest or fraudulent activities, management has the responsibility to:
 - a. Make no contact (unless requested) with the suspected individual to determine facts or demand restitution. Under no circumstances should there be any reference to "what you did", "the crime", "the fraud", "the misappropriation", etc.
 - b. Avoid discussing the case, facts, suspicions, or allegations with anyone outside the Agency, unless specifically directed to do so by the Agency Attorney.
 - c. Avoid discussing the case with anyone inside the Agency other than employees who have a need to know such as the General Manager, Personnel Department, or Agency Attorney or law enforcement personnel.
 - d. Direct all inquiries from the suspected individual, or his or her representative, to the Agency Manager or Agency Attorney. All inquiries by an attorney of the suspected individual should be directed to the Agency Attorney. All inquiries from the media should be directed to the General Manager.
 - e. Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the Personnel Director, in conformance with the Agency's Personnel Policies and Procedures.

C. Employee Responsibilities

1. A suspected fraudulent incident or practice observed by, or made known to, an employee must be reported to the employee's supervisor for reporting to the proper management official.
2. When the employee believes the supervisor may be involved in the inappropriate activity, the employee shall make the report directly to the next higher level of management and/or the General Manager (or contact the Agency Attorney or Personnel Director if the next higher level of management and/or the General Manager is involved).
3. The reporting employees shall refrain from further investigation of the incident, confrontation with the alleged violator, or further discussion of the incident with anyone, unless requested by the General Manager, Personnel Department, Agency Attorney or law enforcement personnel.

D. Personnel Department Responsibilities

1. Upon assignment by the General Manager, the Personnel Department will promptly investigate the fraud.

2. In all circumstances where there appears to be reasonable grounds for suspecting that a fraud has taken place, the Personnel Department, in consultation with the Agency Attorney, will contact the County of San Bernardino Sheriff Department.
3. The Personnel Department shall be available and receptive to receiving relevant, confidential information to the extent allowed by law.
4. If evidence is uncovered showing possible dishonest or fraudulent activities, the Personnel Department will proceed as follows:
 - a. Discuss the findings with the appropriate management/supervisor and the Department Director.
 - b. Advise management, if the case involves staff members, to meet with the Director of Personnel (or his/her designated representative) to determine if disciplinary actions should be taken. Any disciplinary action taken will be in accordance with the Agency Personnel Rules.
 - c. Report to the External Auditor such activities in order to assess the effect of the illegal activity on the Agency's financial statements.
 - d. Coordinate with the Agency's Risk Management insurer regarding notification to insurers and filing of insurance claims.
 - e. Take immediate action, in consultation with the Agency Attorney, to prevent the theft, alteration, or destruction of evidentiary records. Such action shall include, but is not limited to:
 - 1) Removing the records and placing them in a secure location, or limiting access to the location where the records currently exist.
 - 2) Preventing the individual suspected of committing the fraud from having access to the records.
5. In consultation with the Agency Attorney and the County of San Bernardino Sheriff Department, the Personnel Department may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.
6. If the Personnel Department is contacted by the media regarding an alleged fraud or audit investigation, the Personnel Department will consult with the General Manager and the Agency Attorney, as appropriate, before responding to a media request for information or interview.
7. At the conclusion of the investigation, the Personnel Department will document the results in a confidential memorandum report to the General Manager and the Agency Attorney. If the report concludes that the allegations are founded, the report will be forwarded to the County of San Bernardino Sheriff Department.
8. Unless exceptional circumstances exist, a person under investigation for fraud is to be given notice in writing of essential particulars of the allegations following the conclusion of the audit. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Personnel Department no later than seven calendar days after notice is received.
9. The Personnel Department will be required to make recommendations to the appropriate department for assistance in the prevention of future similar occurrences.
10. Upon completion of the investigation, including all legal and personnel actions, all records, documents, and other evidentiary material, obtained from the department under investigation will be returned by the Personnel Department to that department.

IV. EXCEPTIONS

There will be no exceptions to this policy unless provided and approved by the General Manager and the Agency Attorney.

V. AUTHORITY

By authority of the General Manager.

Marina D. West, PG
General Manager

Date

EXHIBIT