



State of California – Natural Resources Agency  
DEPARTMENT OF FISH AND WILDLIFE  
Director's Office  
P.O. Box 944209  
Sacramento, CA 94244-2090  
[www.wildlife.ca.gov](http://www.wildlife.ca.gov)

GAVIN NEWSOM, Governor  
CHARLTON H. BONHAM, Director



January 8, 2020

**Control Number:  
WA 19-01**

Ms. Joyce Renison  
Sacramento County Assistant Auditor-Controller  
700 H Street, Room 3650  
Sacramento, CA 95814

Dear Ms. Renison:

### COMPLIANCE REVIEW OF PROPAGATION FUND EXPENDITURES

This final management letter provides the results of the Fish and Game Code (FGC), Section 13104 compliance review of Sacramento (County). The review was conducted by the Department of Fish and Wildlife's (DFW) Audits Branch (AB) to determine if the County complied with the propagation fund expenditure requirements of the FGC Section 13103. This audit was conducted in conformance with *International Standards for the Professional Practice of Internal Auditing*.

Compliance with laws and regulations applicable to the County is the responsibility of the County's management. As part of obtaining reasonable assurance as to whether the propagation fund expenditures were in compliance with the applicable laws and regulations, we tested the County's compliance with the FGC Section 13103.

Our test results indicate that with respect to the items tested, the County complied, in all material respects, with the requirements of the FGC Section 13103, except for the findings disclosed in the report. With respect to items not tested, nothing came to our attention that caused us to believe that the County had not complied, in all material respects, with the provisions of the FGC Section 13103.

The County's response agrees with our audit finding and recommendation. The AB incorporated the County's response as Attachment A to this report.

### **Restricted Use**

This report is solely for the information and use of the DFW, and the County of Sacramento. This audit report is not intended and should not be used by anyone other than those specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Conserving California's Wildlife Since 1870*

### **Background and Information**

According to the FGC Sections 12009 (b) (2) and 13003, one-half of all fines and forfeitures imposed or collected in any court of this state for violations of any of the provisions of this code or regulation, or any other law providing the protection or preservation of birds, mammals, fish, reptiles, or amphibian, shall be deposited with the county treasurer of the county in which the court is situated. The FGC Section 13100 requires these funds are to be expended for the protection, conservation, propagation, and preservation of fish and wildlife, under the direction of the county board of supervisors. The FGC Section 13103 further defines the specific allowable uses of these funds. The authority for the DFW to audit the County expenditures for compliance with the FGC Section 13103 is codified at Section 13104.

### **Review Scope**

The scope of the compliance review was to determine if the revenues were accounted for and expenditures were expended in accordance with the FGC Section 13103 for the period covering July 1, 2016 through June 30, 2018.

### **Review Objectives**

The objectives of this review were to determine if the County was complying with the FGC Section 13103 revenue and expenditure requirements as described below:

- Provide accountability of the FGC fines and forfeitures received by the County; and
- To determine if the County's propagation fund expenditures were made in accordance with the FGC Section 13103 requirements.

### **Review Methodology**

The following procedures were performed as part of this compliance review:

- Interviewing key personnel regarding their understanding of the County policies and procedures; and
- Selecting a sample of propagation fund expenditures to determine compliance pursuant to the FGC Section 13103 requirements.

### **Finding 1 – Missing Statement of Economic Interests Form 700**

Not all Statement of Economic Interests Form 700s were received from the County Fish and Game Commission members in a timely manner as required for 2018. In total, 3 of 5 Form 700s for the Commission were not filed during 2018. These 3 Commissioners left office during the term and did not file leaving statements.

Without proper filings, it is possible that the County may do business with an entity that would be in conflict with a Board of Supervisors or Commission members investments. That would be a direct conflict of the Political Reform Act 2015 (PRA).

No one at the County was able to obtain the Form 700s before the Commissioners left office.

California Government Code Sections 87200-87210, through the PRA, require all Board of Supervisors, and other public officials who manage public investments file a statement disclosing his or her investments, his or her interests in real property, and any income received during the immediately preceding 12 months on the required Form 700 Statement of Economic Interests.

Specifically, California Government Code (CGC) Section 87204, states: "Every person who leaves an office specified in Section 87200 shall, within thirty days after leaving the office, file a statement disclosing his investments, his interests in real property, and his income during the period since the previous statement filed under Section 87202 or 87203. The statement shall include any investments and interests in real property held at any time during the period covered by the statement, whether or not they are still held at the time of filing."

The CGC Section 13402 requires that a satisfactory system of internal accounting and administrative control include an organizational structure that segregate duties to ensure the adequate protection of state assets and that controls include a method to limit access to state assets to authorized personnel and to maintain a system of record keeping that is adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures, and a plan of organization that provides segregation of duties appropriate for proper safeguarding of state agency assets.

### **Recommendation**

The AB recommends the County to ensure all required Statement of Economic Interests Form 700s are received in a timely manner from all Board of Supervisors and Commission members as required by the PRA and the CGC Sections 87200-87210.

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Sacramento County Assistant Auditor-Controller  
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**County Response**

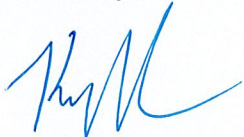
The Office of the Clerk of the Board will work with the Director and/or assigned staff of the Recreation and Park Commission to ensure Form 700 statements are filed within 30 days upon assuming or leaving office. The Office of the Clerk of the board will continue to collect, store, record and manage Form 700 statements pursuant to Fair Political Practices Commission standards and regulations. The Office of the Clerk of the Board will continue to work with the FPPC and make notations pursuant to FPPC standards in the FPPC approved electronic filing system if/when Form 700 statements are not filed timely.

**AB Response**

The County's response satisfactorily addresses our recommendation.

Should you have any questions, please contact Meredith Taylor at (916) 445-3778.

Sincerely,



Ky Nguyen, CPA, Chief  
Audits Branch  
Department of Fish and Wildlife

cc: Valerie Termini, Chief Deputy Director, Department of Fish and Wildlife

James Robbins, Deputy Director Administration, Department of Fish and Wildlife

Dan Reagan, Assistant Deputy Director-Administration Division-Fiscal  
Operations, Department of Fish and Wildlife

David Bess, Deputy Director, Law Enforcement Division, Department of Fish and  
Wildlife

Sean Stoyanowski, Accounting Manager, Sacramento County

Clarice Thomas, Secretary, Sacramento County Board of Supervisors

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Liz Bellas, Director, Sacramento County Department of Regional Parks

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# **ATTACHMENT A**

## **AUDITEE'S RESPONSE**

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**Clerk of the Board**  
Florence H. Evans



**Board of Supervisors**  
Phil Serna, District 1  
Patrick Kennedy, District 2  
Susan Peters, District 3  
Sue Frost, District 4  
Don Nottoli, District 5

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**County of Sacramento**

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December 27, 2019

Ky Nguyen, CPA, Chief  
Department of Fish and Wildlife  
P.O. Box 944209  
Sacramento, CA 94244-2090

Subject: Sacramento County Response - Compliance Review Of Propagation Fund Expenditures/WA -19-01

Dear Ky Nguyen:

Pursuant to the Propagation Fund WA-19-01 Audit and in response to the findings dated December 16, 2019, the County of Sacramento has reviewed the Department of Fish and Wildlife report and recommendation related to the timely filing of Statement of Economic Interests (Form 700).

On behalf of the County of Sacramento, I have prepared the following response:

1. The Office of the Clerk of the Board will work with the Director and/or assigned staff of the Recreation and Park Commission to ensure Form 700 statements are filed within 30 days upon assuming or leaving office.
2. The Office of the Clerk of the Board will continue to collect, store, record and manage Form 700 statements pursuant to Fair Political Practices Commission (FPPC) standards and regulations.
3. The Office of the Clerk of the Board will continue to work with FPPC and make notations pursuant to FPPC standards in the FPPC approved electronic filing system if/when Form 700 statements are not filed timely.

If you have any questions, please contact Clarice Thomas, Form 700 Coordinator, at (916) 874-8170 or me at (916) 874-8150. Thank you for the feedback from the audit.

Respectfully,

A handwritten signature in blue ink that reads "Florence Evans".

Florence Evans  
Clerk of the Board

cc: Joyce Renison, Sacramento County Auditor Controller  
Sean Stoyanowski, Accounting Manager, Sacramento County  
Liz Bellas, Director, Sacramento County Department of Regional Parks