

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
January 9, 2018

To: Board of Supervisors

From: Department of Finance

Subject: Relief Of Accountability For Uncollectible Accounts For The Department Of Revenue Recovery In The Amount Of \$1,350,962.77 (Period Covering January 1, 2017 To June 30, 2017)

Supervisory  
District(s): All

Contacts: Connie Ahmed, Department of Revenue Recovery, 875-7855  
(Questions relating to the request for relief of accountability)

Alan A. Matré, Department of Finance, 874-7259  
(Questions relating to the review of the request)

**Overview**

The Department of Revenue Recovery (DRR) requests relief of accountability for uncollectible accounts (ATT 1). DRR is authorized by Resolution No. 99-0158 to write-off account receivables that meet specific criteria, as outlined in the resolution. The Department of Finance reviewed DRR's relief of accountability for uncollectible accounts and finds the receivables appropriate for write-off. Relief of accountability does not eliminate the debt. DRR may reactivate an account if a debtor is located, receives a new charge, or receives a payment.

**Recommendation**

Approve the attached request for relief of accountability from DRR for uncollectible account receivables and compromise adjustments totaling \$1,350,962.77 (ATT 2) for the period January 1, 2017 to June 30, 2017.

**Measures/Evaluation**

Not Applicable.

**Fiscal Impact**

The net fiscal impact to the County is an uncertain loss of revenue from the receivables that are being written-off or adjusted due to compromise settlements. Due to the fact that the realization of the revenues was always doubtful, they have never been "accrued" in the County's official account receivables. The County's estimated General Fund share of the receivables is approximately 42.33% or \$571,823.62 for the period January 1, 2017 to June 30, 2017. Granting relief of accountability does not eliminate debt for written-off amounts. DRR may reactivate a "bad debt" account if a debtor is located.

## **BACKGROUND**

DRR is authorized by Resolution No. 99-0158 to write-off account receivables that meet specific criteria, as outlined in the resolution. The Department of Finance reviews these accounts for propriety prior to DRR writing them off. Department of Finance staff completed this review and finds the receivables appropriate for write-off. Resolution No. 99-0158 specifies that relief of accountability for any individual account (debt) with outstanding balances shall be approved by the Board of Supervisors. The County Executive shall present debt to be discharged by the Board of Supervisors periodically. The Board last approved DRR accounts receivable losses on October 17, 2017, for the period January 1, 2016 to December 31, 2016.

## **DISCUSSION**

Attached is the request from DRR for relief of accountability for account receivables and compromise adjustments in the amount of \$1,350,962.77 for the period of January 1, 2017 to June 30, 2017. Of the total requested for relief, \$124,468.23 (approximately 9.21%) involves compromise settlements and/or adjustments. The remaining \$1,226,494.54 (approximately 90.79%) is for bad debts caused by the death of the debtor without the ability to collect from the debtor's estate. Or, the debt is legally uncollectible byway of court ordered discharge (including bankruptcy) or statute of limitations.

Relief of accountability does not eliminate the debt. DRR may reactivate an account if a debtor is located, receives a new charge or receives a payment.

Also attached is the Department of Finance's Internal Audits staff report (ATT 3) for this request. The results of the review confirmed that the circumstances related to the loss have been properly reported and reviewed as required by Volume IV, Chapter VII of the County's Accounting System and Procedure Manual. The results of that review did not indicate evidence of fraud or gross negligence on the part of County management.

## **FINANCIAL ANALYSIS**

The net fiscal impact to the County is an uncertain loss of revenue from the receivables that are being written-off or adjusted due to compromise settlements. Due to the fact that the realization of the revenues from these receivables was always doubtful, they have never been "accrued" in the County's official account receivables. The County's estimated General Fund share of the receivables is approximately 42.33% or \$571,823.62. Granting relief of accountability does not eliminate debt for written-off amounts. DRR may reactivate a "bad debt" account if a debtor is located.

Relief Of Accountability For Uncollectible Accounts For The Department Of Revenue Recovery In The Amount Of \$1,350,962.77 (Period Covering January 1, 2017 To June 30, 2017)

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Respectfully submitted,

\_\_\_\_\_  
BEN LAMERA, Director  
Department of Finance

APPROVED:  
NAVDEEP S. GILL  
County Executive

By: \_\_\_\_\_  
DAVID VILLANUEVA,  
Deputy County Executive

Attachments:

- ATT 1 - Department of Revenue Recovery's Request for Relief of Accountability Memorandum – January 1, 2017 to June 30, 2017
- ATT 2 - Department of Revenue Recovery's Request for Relief of Accountability – January 1, 2017 to June 30, 2017 in the amount of \$1,350,962.77
- ATT 3 - Department of Finance, Auditor-Controller Division, Internal Audit's Staff Report – January 1, 2017 to June 30, 2017

# COUNTY OF SACRAMENTO

## *Inter-Department Correspondence*

Date: August 04, 2017

To: Ben Lamera  
Director of Finance

From: Connie Ahmed  
Director of Revenue Recovery

Subject: REQUEST FOR RELIEF OF ACCOUNTABILITY:  
Department of Revenue Recovery's Uncollectible Accounts  
(January 1, 2017 to June 30, 2017)

### **Recommendation**

That you submit to the Board of Supervisors for approval, the request for relief of accountability from the Department of Revenue Recovery (DRR) for uncollectible accounts receivable and compromise adjustments totaling \$1,350,962.77 for the following period:  
January 1, 2017 to June 30, 2017

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### **Background**

The last request for relief of accountability submitted for DRR covered the period January 1, 2016 to December 31, 2016. This request covers the period from January 1, 2017 to June 30, 2017.

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### **Discussion**

The Board of supervisors has established the following general criteria for relief of accountability:

1. Deceased, No Estate. There is no way to collect on these accounts.
2. Legally Uncollectible. This includes debts discharged by court order including bankruptcy discharge, debts where statute of limitations to enforce collection has expired or where the corporation is suspended by the Secretary of State or otherwise defunct.
3. Compromise Adjustment. Factors that support compromise adjustment include the financial condition of the debtor, his/her estate or responsible relative; or, in such circumstances where the material facts surrounding the occurrence of the debt indicate inappropriate or inequitable charges for services rendered; or, when such compromise is in the best interest of the County.
4. Uneconomical to Pursue. Several factors influence this determination including: the balance owed, if court action is required and/or residency outside of California. In some cases the write-off is done at the request of a customer department.

This request for relief of accountability covers the period beginning January 1, 2017 to June 30, 2017.

Of the \$1,350,962.77 write off total:

- 7.76% (\$104,811.99) were removed due to debtor being deceased
- 84.91% (\$1,147,076.24) were due to Legally Uncollectible
- 9.21% (\$124,468.23) due to Compromise Adjustment
- -1.88% (-\$25,393.69) in the category Uneconomical to Pursue. This category is a negative amount for this period as a result of previous write-off transactions that were reversed during this period and which exceeded the total new write-off transactions in this category during this period.

Of the \$1,350,962.77 write off total:

- 57.67% (\$779,139.15) is Non-General Fund
- 42.33% (\$571,823.62) is General Fund

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**Conclusion**

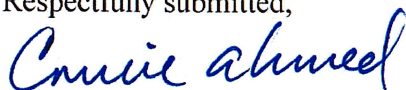
At this time, these uncollectible charges and compromise adjustments for the period January 1, 2017 to June 30, 2017 reported above require relief of accountability.

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**Questions**

Any questions regarding this relief of accountability request, please contact Melina Turpin, Assistant Director DRR, at 875-0022.

Respectfully submitted,



Connie Ahmed

Director of Revenue Recovery

**COUNTY OF SACRAMENTO**  
**Department of Finance**  
**Request for Relief of Accountability**

1	To: Ben Lamera Director of Finance		
2	From: Connie Ahmed - Director Department of Revenue Recovery	Date:	August 04, 2017
3	Subject: <b>REQUEST FOR RELIEF OF ACCOUNTABILITY</b>		
4	We are requesting Relief of Accountability for the assets listed below: <input type="checkbox"/> Cash (ignore Items 6a and 6c) <input type="checkbox"/> Fixed Asset - Equipment (book value is \$10,000 and under) <input type="checkbox"/> Controlled Equipment (Inventoriable non-fixed asset)		
5	in the amount of: \$1,350,962.77		

<b>6 Background Information</b>		
6a County identification tag number:  N/A	6b Date the asset was lost, stolen, or discovered missing:  N/A	6c Cost and net book value of asset:  N/A
6d Detailed description of missing asset(s):  Uncollectible Accounts Receivable – from 01/01/2017 to 06/30/2017		
6e Unit or location where asset was assigned when discovered missing:  N/A		

**COUNTY OF SACRAMENTO**  
**Department of Finance**  
**Request for Relief of Accountability**

7 <b>Circumstances Surrounding the Loss</b>	
7a Name, title, and department of person reporting the loss:  <p style="text-align: center;">Connie Ahmed  Director  Department of Revenue Recovery</p>	7b Name(s) and telephone numbers of person(s) responsible for control of the asset(s) missing:  <p style="text-align: center;">Connie Ahmed     875 - 7855</p>
7c Detailed description of the loss:  <p style="text-align: center;">See Attached</p>	
7d How was the loss discovered?  <p style="text-align: center;">Loss occurred in the normal course of events in the business environment</p>	
7e Specify agencies contacted and dates:  <p style="text-align: center;">N/A</p>	
8 Detail the existing security measures that should prevent asset losses:  <p style="text-align: center;">N/A</p>	
9 Detail security changes set in place after the loss to prevent future losses:  <p style="text-align: center;">N/A</p>	
10 Contact person(s) and telephone number(s)  <p style="text-align: center;">Connie Ahmed - Director  Department of Revenue Recovery  Phone: 875-7855</p>	

We understand that the approval of this request for relief of accountability by the Director of Finance does not address the department's appropriations if the item(s) need to be replaced.

REQUEST FOR RELIEF OF ACCOUNTABILITY

Facility		Deceased		Legally Uncollectible		Compromise Adjustment		Uneconomical to Pursue		Facility Total		GF
Code	Description	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount	
ACR2	ANIMAL CARE FEES	19	2,750.00	4	600.00	-	-	-	-	23	3,350.00	YES
APT1	AIRPORT RECOVERY - METRO	-	-	7	81,103.38	-	-	-	-	7	81,103.38	NO
APT4	AIRPORTS	1	17.00	-	-	-	-	-	-	1	17.00	NO
CCI2	SUPERIOR COURT DISSOLUTION FILING FEES	-	-	1	182.00	-	-	-	-	1	182.00	NO
CCR1	COUNTY COUNSEL RECOVERY	-	-	-	-	-	-	1	(191.00)	1	(191.00)	SPLIT
CED2	HOUSING CODE ENFORCEMENT	-	-	-	-	-	-	1	(470.00)	1	(470.00)	SPLIT
CEDA	HOUSING CODE ADMIN FEES	-	-	-	-	-	-	1	(2,393.20)	1	(2,393.20)	SPLIT
CEDJ	IT RECOVERY FEE - CED2	-	-	-	-	-	-	2	(85.90)	2	(85.90)	SPLIT
CEDK	IT RECOVERY FEE - CED3	-	-	-	-	-	-	1	(14.96)	1	(14.96)	SPLIT
CUB1	CONSOLIDATED UTILITY BILLING RECOVERY	15	7,951.57	358	140,043.47	3	867.66	-	-	376	148,862.70	NO
DCD2	CODE - HOUSING CODE	26	770.90	-	-	-	-	11	(3,075.40)	37	(2,304.50)	SPLIT
DCD3	CODE - ZONING CODE	11	1,410.00	1	470.00	-	-	18	(4,825.20)	30	(2,745.20)	SPLIT
DCD5	CODE - RENTAL HOUSING INSPECTION	-	-	-	-	-	-	6	(1,501.25)	6	(1,501.25)	SPLIT
DCD6	CODE - VEHICLE ABATEMENT	-	-	-	-	-	-	5	3,135.48	5	3,135.48	SPLIT
DCDI	CODE - IT RECOVERY FEE	37	89.05	1	21.15	6	537.75	23	(192.55)	67	455.40	SPLIT
DCDN	CODE - NOPEA FEE	5	(261.00)	-	-	-	-	1	(261.00)	6	(522.00)	SPLIT
DCDP	CODE - ADM PENALTY	2	-	-	-	6	9,469.19	-	-	8	9,469.19	SPLIT
DCP1	DAMAGE TO COUNTY PROPERTY	-	-	3	3,416.68	1	1,321.73	-	-	4	4,738.41	NO
EST1	PENDING GENERAL ASSISTANCE	-	-	48	38,561.37	-	-	-	-	48	38,561.37	YES
HAC4	MEDICALLY INDIGENT-SHARE OF COST	50	10,140.97	730	127,233.66	-	-	-	-	780	137,374.63	SPLIT
HAC6	SACRAMENTO COUNTY HEALTH-PRIVATE PAY	33	5,266.77	51	5,114.14	-	-	-	-	84	10,380.91	SPLIT
HAC9	IN HOME SOCIAL SERVICE	-	-	3	48,229.08	-	-	-	-	3	48,229.08	SPLIT
HACO	HEALTH PROVIDER OVERPAYMENT	-	-	1	540.19	-	-	-	-	1	540.19	SPLIT
JDC0	SANDRA L. LARSON YOUTH CENTER	-	-	1	193.52	-	-	-	-	1	193.52	SPLIT
JDC1	JUVENILE HALL CARE & MAINTENANCE	8	1,948.98	215	75,400.40	-	-	-	-	223	77,349.38	SPLIT
JDC2	BOYS RANCH CARE & MAINTENANCE	-	-	28	14,450.34	-	-	-	-	28	14,450.34	SPLIT
JDC3	WM. K. MORGAN ALTERNATIVE CENTER	-	-	1	69.97	-	-	-	-	1	69.97	SPLIT
JDC8	WETYC (YOUTH CENTER) CARE & MAINTENANCE	-	-	19	8,484.25	-	-	-	-	19	8,484.25	SPLIT
JPD1	JUVENILE PUBLIC DEFENDER-CRIMINAL CASE	13	1,430.23	124	21,751.66	-	-	-	-	137	23,181.89	SPLIT
JPD2	JUVENILE CT APPTD ATTORNEY-CRIMINAL CASE	1	177.74	81	33,040.37	-	-	-	-	82	33,218.11	SPLIT
JPF1	JUVENILE PROBATION FEES	7	973.00	67	11,730.50	-	-	-	-	74	12,703.50	SPLIT
JPF2	JUVENILE ELECTRONIC MONITORING	6	2,358.84	98	30,098.65	-	-	-	-	104	32,457.49	SPLIT
MSC7	ORR BAD-DEBT RECOVERY	-	-	1	23.00	-	-	-	-	1	23.00	NO
ORR1	ORR ADMINISTRATIVE CHARGES	-	-	8	247.18	-	-	-	-	8	247.18	NO
ORR3	PROCESS SERVICE FEES	3	142.00	4	176.54	-	-	1	(16.00)	8	302.54	NO
ORR6	INTEREST	2	844.28	21	19,861.49	-	-	-	-	23	20,705.77	NO
ORR7	RESTITUTION ADMINISTRATIVE FEE	80	7,667.82	-	-	1	696.52	-	-	81	8,364.34	NO
ORR8	INSTALLMENT FINE ADM FEE-MUNI COURT	142	5,169.90	-	-	1	8.75	3	(105.00)	146	5,073.65	NO
ORR9	COURT COSTS	-	-	1	4.00	-	-	-	-	1	4.00	NO
ORRF	INSTALLMENT FINE ADM FEE-SUPR CT	1	29.98	1	15.00	-	-	-	-	2	44.98	NO
ORRN	NOTARY FEES	-	-	17	153.19	-	-	-	-	17	153.19	NO
ORRP	INSTALLMENT FINE ADM FEE-FORM PROB	69	2,595.42	-	-	-	-	-	-	69	2,595.42	NO
ORRS	SACTO COUNTY SHERIFF PROCESS FEES	-	-	5	172.73	-	-	1	(21.00)	6	151.73	NO
ORRZ	RETURNED CHECK FEE	1	53.00	8	925.89	-	-	-	-	9	978.89	NO
PDR1	PUBLIC DEFENDER REIMB(MUNI CT)	41	5,177.94	63	12,711.34	1	14.58	-	-	105	17,903.86	SPLIT
PDR2	PUBLIC DEFENDER REIMB (SUPERIOR CT)	1	50.00	-	-	-	-	-	-	1	50.00	SPLIT
PDR7	COURT-APPOINTED ATTY (MUNI CT)	3	840.00	5	2,490.00	-	-	-	-	8	3,130.00	SPLIT
PSR1	PROBATION SUPERVISION FEES	3	4,938.00	98	161,383.53	7	5,607.65	1	2,520.00	109	174,449.18	SPLIT
PSR2	PRE-SENTENCE REPORT FEES	4	2,072.00	65	28,991.28	5	726.52	1	358.00	75	32,147.80	SPLIT
PSR3	DIVERSION PROGRAM FEES	7	1,449.46	17	3,240.21	-	-	-	-	24	4,689.67	SPLIT
PSR5	PROP 36 PROGRAM FEES	-	-	12	1,044.96	-	-	-	-	12	1,044.96	SPLIT
PSR6	COURTESY SUPERVISION	-	-	5	3,889.00	-	-	-	-	5	3,889.00	SPLIT
PSR9	PROBATION ADULT DRUG TEST FEES	7	175.00	14	409.99	1	131.04	-	-	22	716.03	SPLIT
PWR1	PUBLIC WORKS RETURNED CHECK	-	-	5	534.79	-	-	-	-	5	534.79	SPLIT
PWX4	PUBLIC WORKS-BUILDING INSPECTION FEES	10	1,313.14	78	74,048.82	6	100,164.79	-	-	94	175,526.75	SPLIT
RCD2	REFUSE COLLECTION/SOLID WASTE - N. Area	2	113.60	5	1,333.72	-	-	1	50.00	8	1,497.32	NO
RCO1	COUNTY RECORDER - RETURNED CHECK	-	-	1	140.00	-	-	-	-	1	140.00	NO
RSK1	RISK MANAGEMENT RECOVERY - ATTORNEY FEES	-	-	1	3,036.31	-	-	-	-	1	3,036.31	SPLIT
SBFA	BOOKING FEE - UNINCORP. AREA - M.J.	-	-	82	13,740.72	-	-	2	445.78	84	14,186.50	SPLIT
SBFB	BOOKING FEE - UNINCORP. AREA - RCCC	-	-	4	470.10	-	-	-	-	4	470.10	SPLIT
SCH1	RENTAL CODE COMPLIANCE FEE	-	-	3	123.13	-	-	-	-	3	123.13	SPLIT
SCH3	ZONING ENFORCEMENT	2	352.17	6	(2,040.25)	1	3,400.00	9	(11,784.26)	18	(10,062.34)	SPLIT
WGA1	GENERAL ASSISTANCE REPAYMENT	1	1,233.00	8	27,999.83	-	-	5	(3,274.23)	14	25,958.60	YES
WKD0	SHERIFFS WORK-PROJECT ADMIN FEE	-	-	2	38.28	-	-	-	-	2	38.28	SPLIT
WKD1	SHERIFFS WORK-PROGRAM CHARGE	-	-	1	151.81	-	-	-	-	1	151.81	SPLIT
WKD2	WEEKENDER BOARD & ROOM CHARGE	-	-	3	1,361.38	-	-	-	-	3	1,361.38	SPLIT
WKD3	CONFINEMENT COSTS-PROBATIONARY SENTENCE	7	3,132.77	103	45,656.40	8	1,522.05	-	-	118	50,311.22	SPLIT
WLX0	CAL-WORKS FRAUD RESTITUTION FG (PROBATION) - 1 Parent	-	-	-	-	-	-	1	(3,892.00)	1	(3,892.00)	SPLIT
WLX1	CAL-WORKS OVERPAYMENT - 1 Parent	8	18,999.00	28	16,604.63	-	-	-	-	36	35,603.63	SPLIT
WLX7	CAL-WORKS OVERPAYMENT - 1 Parent	13	13,629.46	93	76,471.96	-	-	-	-	106	90,101.42	SPLIT
WLXG	CAL-WORKS - FG EXEMPT FEDERAL - 0 Parent	-	-	1	73.50	-	-	-	-	1	73.50	SPLIT
WLZD	ADOPTION ASSISTANCE PROGRAM - APP 03	-	-	1	10,857.00	-	-	-	-	1	10,857.00	SPLIT
<b>Total</b>		<b>641</b>	<b>104,811.99</b>	<b>2,612</b>	<b>1,147,076.24</b>	<b>47</b>	<b>124,488.23</b>	<b>95</b>	<b>(25,393.69)</b>	<b>3,395</b>	<b>1,350,962.77</b>	

7.76%

84.91%

9.21%

-1.88%

GF	
779,139.15	57.67%
571,823.62	42.33%
1,350,962.77	



Department of Finance

Ben Lamera

Director



County of Sacramento

*Intra-Departmental Memorandum*

October 26, 2017

To: Ben Lamera  
Director of Finance

From: Alan A. Matré, C.P.A.  
Chief of Audits

Subject: **RELIEF OF ACCOUNTABILITY FOR UNCOLLECTIBLE ACCOUNTS RECEIVABLE IN ACCORDANCE WITH BOARD APPROVED POLICY FOR THE PERIOD JANUARY 1, 2017 TO JUNE 30, 2017**

On August 4, 2017, we were requested by the Department of Revenue Recovery (DRR) to perform a review of their write-off of uncollectible accounts and compromise adjustments in the amount of \$1,350,962.77 for the period of January 1, 2017 to June 30, 2017. The relief request is summarized as follows:

<u>Relief Period</u>	<u>Fiscal Years</u>	<u>Amount</u>
January 1, 2017 to June 30, 2017	2017	\$ 1,350,962.77

Our review was limited to assessing the propriety of these write-offs and compromises by interviewing departmental management concerning the accounting system used, evaluating the criteria used by the department to determine if the unpaid account should be written off, analyzing and documenting internal controls relating to the accounts written-off, and testing on a limited basis, individual write-offs and compromise reports. This review does not constitute an audit of the department.

There was a continuing issue noted during our review of DRR's submitted write-offs and compromise adjustments as it relates to write-off authorization, see Comments and Recommendations in the Attachment on the following page.

Based upon our review, we recommend that relief of accountability be granted for \$1,350,962.77.

COUNTY OF SACRAMENTO  
DEPARTMENT OF REVENUE RECOVERY  
RELIEF OF ACCOUNTABILITY  
COMMENTS AND RECOMMENDATIONS  
FOR THE PERIOD OF JANUARY 1, 2017 TO JUNE 30, 2017

**Prior Comments and Recommendations Noted During the Previous Review of the Department of Revenue Recovery's Relief of Accountability Request For the Period January 1, 2016 to December 31, 2016 Approved on October 17, 2017**

**Write-Off Authorization**

Comment

44 of the 88 debtor accounts selected for testing were written-off by non-Department of Revenue Recovery (DRR) employees. DRR requested the Department of Technology (D-Tech) write-off debtor accounts associated with incident request authorization number 176253. Authorized DRR personnel should be performing the task of writing-off debtor accounts. The cause is due to DRR not having the necessary internal controls in place to have its own authorized staff write-off debtor accounts. By not writing off its own debtor accounts, DRR is exposing itself to the risk that accounts could be written-off by non-DRR personnel without knowledge of DRR management.

Recommendation

We recommend only authorized DRR staff write-off debtor amounts.

Current Status

DRR continues to use D-Tech personnel to assist with writing off uncollectible accounts. 59 of the 87 write-off accounts selected for testing required assistance from D-Tech personnel. We reiterate our previous recommendation and recommend only authorized DRR staff write-off debtor accounts.

**Write-Off Accounts Lacking Supporting Documentation**

Comment

The Department of Revenue Recovery (DRR) was unable to provide supporting documentation for 4 of the 88 debtor accounts selected for write-off testing. DRR should maintain supporting documentation for its debtor accounts. Supporting documentation maintained should be sufficient and consistent with Board Resolution #99-0158 that outlines approved reasons for account write-off and DRR's responsibility for maintaining records. By not maintaining supporting documentation, DRR is unable to substantiate debtor accounts submitted to the Board of Supervisors for write-off approval. DRR is citing the age of the debtor accounts as the contributing cause for not having supporting documentation.

Recommendation

We recommend DRR maintain supporting documentation for all of the debtor accounts that it is responsible for tracking.

Current Status

This issue appears to be resolved.

COUNTY OF SACRAMENTO  
DEPARTMENT OF REVENUE RECOVERY  
RELIEF OF ACCOUNTABILITY  
COMMENTS AND RECOMMENDATIONS  
FOR THE PERIOD OF JANUARY 1, 2016 TO DECEMBER 31, 2016

**Prior Comments and Recommendations Noted During the Previous Review of the Department of Revenue Recovery's Relief of Accountability Request For the Period January 1, 2016 to December 31, 2016 Approved on October 17, 2017**  
(Continued)

**Supporting Documentation Retention**

Comment

DRR was unable to provide supporting documentation for 33 of the 88 debtor accounts selected for testing. Supporting documentation for debtor accounts was obtained from sources external of DRR. DRR should maintain supporting documentation for its debtor accounts that is sufficient and consistent with Board Resolution #99-0158 that outlines approved reasons for account write-off and DRR's responsibilities for maintaining its records. DRR is citing incident request authorization number 176253 and Board resolution numbers 2016-0193 and 2016-0194 (FY 2015-16 Appropriation Budget Request) approved on March 22, 2016 as support for the accounts that were submitted for write-off.

Recommendation

We recommend DRR maintain supporting documentation for all of the debtor accounts that it maintains and adhere to Board Resolution #99-0158.

Current Status

This issue appears to be resolved