



County of El Dorado

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2008 JUL - 1 AM 8: 14
HEALTH CARE
BOARD OF SUPERVISORS
EL DORADO COUNTY

July 1, 2008

Board of Supervisors
County of El Dorado
360 Fair Lane
Placerville, California 95667

Subject: Agenda Item #71-Risk Management Budget Transfer

Ladies and Gentlemen:

I recommend that your Board approve this Budget Transfer. Failure to do so will further delay past due payments to the County Government's Health Insurance providers. I recommend that this item be approved with the Consent Calendar.

About one year ago, Risk Management's Principal Administrative Analyst position was eliminated. The elimination of this position has had a number of adverse affects on the financial management of the Human Resources Department. The timing of this Budget Transfer request and the resulting delayed payments to the County Government's Health Insurance providers is one example of the deteriorating fiscal controls at Risk Management.

The Interim CAO, the Human Resources Director, and I all agree that in light of the elimination of the Principal Administrative Analyst position and the resulting unforeseen consequences, Risk Management's financial management and organizational structure needs to be evaluated. The Interim CAO has committed to complete such an evaluation and share the results with the Human Resources Director in the next 30 days.

If you have any questions, please contact me.

Sincerely,

Joe Harn, CPA
Auditor-Controller

**CC: Gayle Erbe-Hamlin
Ted Cwieck**