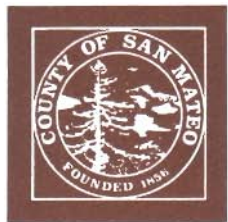


Office of Controller



TOM HUENING
CONTROLLER

COUNTY OF SAN MATEO

555 COUNTY CENTER, 4TH FLOOR • REDWOOD CITY • CALIFORNIA 94063

ROBERT G. ADLER
ASSISTANT CONTROLLER

KANCHAN K. CHARAN
DEPUTY CONTROLLER

TELEPHONE: (650) 363-4777

FAX: (650) 363-7888

www.co.sanmateo.ca.us/controller/

SHERIFF'S INMATE WELFARE TRUST FUND AUDIT REPORT FOR THE PERIOD FROM JULY 1, 2005 TO JUNE 30, 2006

INTRODUCTION

As authorized under Section 4025 of the California Penal Code, the Sheriff established a County Jail Commissary in 1953 to purchase and sell goods and supplies to inmates for cash. The County Jail Commissary, located at the Maguire Correctional Facility, also serves the Men and Women's Correctional Centers. The Sheriff accounts for all fiscal transactions of the commissary in the Inmate Welfare Trust Fund (IWTF). Profits from the operation of the Commissary, in addition to telephone commissions and interest earned by the Inmate Welfare Trust Fund, are to be used by the Sheriff primarily for the benefit, education and welfare of the inmates. Annually, the Sheriff prepares and submits financial statements to the Board of Supervisors and posts copies of the financial statements in a common area in the jail facilities as required by law. A committee consisting of the assistant sheriff, jail captain, and one community representative was established to oversee the Inmate Welfare Trust Fund. The fund generated annual revenues of approximately \$2,224,250 for Fiscal Year ended June 30, 2006.

PURPOSE AND SCOPE

The primary objective of this audit was to determine if payments made out of the Sheriff's Inmate Welfare Trust were for purposes prescribed by the law. As part of our audit, we reviewed the system of internal controls, comprised of accounting and administrative policies and procedures established by the Sheriff's Office to ensure proper management of IWTF. Our examination was made in accordance with the standards established by the Institute of Internal Auditors and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary to achieve these objectives.

Our audit would not necessarily disclose all weaknesses in the system of internal controls, nor all errors or irregularities that might have occurred during the audit period because it was based on selective tests of accounting records and related data.

**SHERIFF'S INMATE WELFARE TRUST FUND
AUDIT REPORT
FOR THE PERIOD FROM JULY 1, 2005 TO JUNE 30, 2006**

Based on our audit, we conclude that payments made from the Sheriff's Inmate Welfare Trust Fund during the period July 1, 2005 to June 30, 2006 were for purposes prescribed by the law.

There were no reportable conditions from this audit.

We wish to express our appreciation for the courtesy and cooperation extended to us during the course of the audit.

County of San Mateo Controller

Redwood City, California
April 9, 2007