

MEMORANDUM

OFFICE OF AUDITOR-CONTROLLER COUNTY OF PLACER

To: Honorable Board of Supervisors

From: Andrew C. Sisk, Auditor-Controller *AS*

Date: June 5, 2012

Subject: Authorize a discharge of accountability for advanced payroll wages.

ACTION REQUESTED/RECOMMENDATION

Approve a discharge of accountability of \$1,680.57 in accordance with the provisions of Section 25257 of the California Government Code.

BACKGROUND

Placer County adjusted its payday schedule when we converted to a new payroll system in 2003. To help minimize the impact on employees, an interest free advance was offered to be repaid in four equal installments over two years. During the two years, we encountered six employees who terminated while still owing a balance on the advance and one employee who declared bankruptcy, therefore relieving the employee of the financial obligation of this debt. After multiple unsuccessful attempts to collect the remaining installments, the outstanding balance was turned over to Revenue Services Department in late 2005. After six years of unsuccessful attempts to locate and collect from former County employees by Revenue Services, we request a discharge of accountability.

Discharge of accountability is a routine element of annual financial accounting and is legally provided for under Section 25257 of the California Government Code. The code states that if the amount owing is such as not to justify the cost of collection or collection enforcement is impracticable, discharge is allowable. A discharge of accountability facilitates a more accurate reflection of current collectable accounts in financial statements and records. The discharge does not relieve the debtor of any liability and the Auditor is not prevented from pursuing collection or accepting payment.

FISCAL IMPACT

There may be minor savings attributed to eliminating the maintenance of old collection records on a current basis. As stated above, a discharge of accountability does not impair collection or acceptance of payment.

ATTACHMENTS

Resolution
Supporting Documentation from Auditor-Controller

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF PLACER, STATE OF CALIFORNIA**

In the matter of: A Resolution to approve a discharge of accountability of \$1,680.57, in accordance with the provisions of Section 25257 of the California Government Code.

Resol. No. _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held June 5, 2012 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairperson, Board of Supervisors

**Attest:
Clerk of said Board**

WHEREAS, Section 25257 of the California Government Code provides for the discharge of accountability if the amount is such as not to justify the cost of collection or collection enforcement is impracticable.

WHEREAS, a listing of those having failed to repay advanced payroll wages in the sum of \$1,680.57 is maintained in the records of the Auditor-Controller.

WHEREAS, such discharge does not release the persons named from the payment of any amounts which are due and owing, and the estimated cost for collection is in excess of the amounts owing or collection is impracticable due to inability to contact the debtor.

NOW THEREFORE, BE IT HEREBY RESOLVED in accordance with Section 25257 of the California Government Code, the Auditor-Controller is granted a discharge of accountability pursuant to the attached list.

Uncollected Items to be written off

Name	Reason for Debt	Action Taken	Amount
Craine, Diana	10/03 Interest-free Advance	When unable to collect through Payroll sent to Revenue Services 11/30/05. Employee termed 8/06	450.00
Dobbs, Deanna	10/03 Interest-free Advance	When unable to collect through Payroll sent to Revenue Services 11/30/05. Employee retired 9/04	87.98
Eastus, Michael	10/03 Interest-free Advance	When unable to collect through Payroll sent to Revenue Services 11/30/05. Employee termed 8/04	275.00
English, Sherri	10/03 Interest-free Advance	When unable to collect through Payroll sent to Revenue Services 6/27/05. Employee termed 8/04	106.58
Paulson, Deanna	10/03 Interest-free Advance	When unable to collect through Payroll sent to Revenue Services 11/30/05. Employee termed 2/2006	227.01
Perez, Leslie	10/03 Interest-free Advance	When unable to collect through Payroll sent to Revenue Services 12/9/05. Employee retired 6/06	167.00
Steele, Lisa	10/03 Interest-free Advance	When unable to collect through Payroll sent to Revenue Services 11/30/05. Employee declared Chapter 7 Bankruptcy	<u>367.00</u>
TOTAL			<u><u>1680.57</u></u>

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