

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 2.14  
(ID # 12917)**

**MEETING DATE:**  
Tuesday, June 30, 2020

**FROM :** AUDITOR CONTROLLER:

**SUBJECT:** AUDITOR-CONTROLLER: Internal Audit Report 2020-304: Riverside County Department of Waste Resources Follow-up Audit, District: All. [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file Internal Audit Report 2020-304: Riverside County Department of Waste Resources Follow-up Audit.

**ACTION:Consent**

  
Paul A. Angulo, County Auditor-Controller 6/19/2020

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**MINUTES OF THE BOARD OF SUPERVISORS**

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**BACKGROUND:**

**Summary**

We have completed a follow-up audit of the Department of Waste Resources. Our audit was limited to reviewing actions taken as of May 5, 2020, to correct findings noted in our original audit report 2018-014 dated April 25, 2019. The original audit report contained four recommendations, all of which required implementation to help correct the reported findings.

Please refer to audit report for conclusion on the results of our audit.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$0	\$0	\$0	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	n/a

**C.E.O. RECOMMENDATION:** Approve

**Impact on Residents and Businesses**

Provide an assessment of internal controls over the audited areas.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

Not applicable

**ATTACHMENT A.**

Riverside County Auditor-Controller - Internal Audit Report 2020-304: Riverside County Department of Waste Resources, Follow-up Audit.

**Internal Audit Report 2020-304**

**Riverside County Department of Waste Resources  
Follow-Up Audit**

**Report Date: June 24, 2020**



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[www.auditorcontroller.org](http://www.auditorcontroller.org)



**COUNTY OF RIVERSIDE**  
**OFFICE OF THE**  
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**Paul Angulo, CPA, MA**  
Riverside County Auditor-Controller

**Oscar Valdez**  
Assistant Auditor-Controller

June 24, 2020

Hans Kernkamp  
General Manager-Chief Engineer  
Riverside County Department of Waste Resources  
14310 Frederick Street  
Moreno Valley, CA 92553

**Subject: Internal Audit Report 2020-304: Riverside County Department of Waste Resources, Follow-Up Audit**

Dear Mr. Kernkamp:

We have completed the follow-up audit of Department of Waste Resources. Our audit was limited to reviewing actions taken as of May 20, 2020, to help correct the findings noted in our original audit report 2018-014 dated April 25, 2019.

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance that our objective, as described in the preceding paragraph, is achieved. Additionally, the standards require that we conduct the audit to provide sufficient, reliable, and relevant evidence to achieve the audit objectives. We believe the audit provides a reasonable basis for our conclusion.

The original audit report contained four recommendations, all of which required implementation to help correct the reported findings. Based on the results of our audit, we found that of the four recommendations:

- Three of the recommendations were implemented
- One of the recommendations was not implemented

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Follow-up Audit**

Details of the findings from the original audit and the status of the implementation of the recommendations are provided in this report. For an in-depth understanding of the original audit, please refer to Internal Audit Report 2018-014 at [www.auditorcontroller.org/Divisions/AuditsandSpecializedAccounting/InternalAuditReports](http://www.auditorcontroller.org/Divisions/AuditsandSpecializedAccounting/InternalAuditReports).

Paul Angulo, CPA, MA  
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA  
Chief Internal Auditor

cc: Board of Supervisors  
George Johnson, County Executive Officer  
Grand Jury

**Internal Audit Report 2020-304: Riverside County Department of Waste Resources,  
Follow-up Audit**

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**Internal Audit Report 2020-304: Riverside County Department of Waste Resources,  
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**Compliance with Regulations of Transfer and Closed Waste Sites**

**Finding 1: Transfer Site Inspections**

We reviewed 16 inspection reports and noted eight of the reports had used copied photographs from other reports as validation on inspection procedures. Photographs are used on inspection reports to provide documentation of safe working conditions or proper signage for hazardous materials. Riverside County Ordinance 779, *Solid Waste Facilities and Establishing Fees*, requires Waste Resources to monitor all landfills, including transfer sites, to ensure only acceptable waste is sent to landfills. Waste Resources indicated that copies of photographs were used from previous inspection reports when no changes occurred to signs, spill kits, fire extinguishers, eye wash stations, and designated storage area for hazardous waste. Using copies of photographs increases the risk that inspections steps are not being performed resulting in transfer sites being non-compliant.

**Recommendation 1**

Ensure new photographs are used to document inspection procedures as required by County Ordinance 779, *Solid Waste Facilities and Establishing Fees*.

**Current Status 1: Implemented**

**Finding 2: Closed Site Inspections**

A site inspection was not performed for Mead Valley closed site for November 2017. Closed site inspections are required to be performed monthly per Waste Resources policies and procedures in order to ensure compliance to *California Code of Regulations, Title 27* regulations. The inspection was not performed due to miscommunication with staff. Not performing the monthly inspection increases the risk of a harmful situation going undetected as well as not being in compliance.

**Recommendation 2**

Ensure the schedule for all monthly inspections for closed sites are communicated to staff and performed.

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**Current Status 2: Implemented**

**Employee Safety**

**Finding 3: Employee Training**

We reviewed the training records for 15 employees and found 13 employees had trainings that were not completed within the required timeframes. Waste Resources, *Code of Safe Practices*, identifies the required training for employees and requires them to submit a copy of the certificate of completion once the training is complete. The department is not in compliance with its Code of Safe Practices when training is not completed as required. Additionally, the risk of accidents is increased without adequate training.

**Recommendation 3**

Ensure all required trainings are complete as required by the *Code of Safe Practices*.

**Current Status 3: Implemented**



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## **Vehicle Maintenance**

### **Finding 4: Vehicle Inspections**

Equipment/vehicle inspections were not performed daily as required by *Fleet Program Guide, Section 8*, and signed off by the supervisor on the same day.

In reviewing inspection records, we noted the following:

- Six out of 20 vehicles did not have inspection reports
  - Four out of 20 vehicle inspections were not signed by the supervisor on the same day.
- Waste Resources *Fleet Program Guide, Section 8*, states, "Before start-up or operation of any vehicle or piece of equipment, each operator shall perform a walk-around inspection of the vehicle/equipment to ensure that the equipment is safe and fully operational according to the factory specifications." The policy further states that the supervisor over the operator is responsible to ensure the inspections are completed, checked for accuracy, and then submitted within one week to the designated administrative staff for processing. Waste Resources management indicated that daily inspections are always completed but sometimes not submitted to the administrative team for record keeping. When safety inspections are not completed, the risk of accidents increases. In addition, not having the supervisor sign the inspection form in a timely manner increases the risk that a safety issue will go unnoticed and result in an accident.

### **Recommendation 4**

Ensure vehicle inspection reports are completed per *Fleet Program Guide, Section 8*, and *Federal Motor Carrier Safety Administration, Title 49 CFR, Section 396.13*. Also, ensure vehicle inspection reports are signed off by the supervisor the same day to ensure inspections are completed accurately and heavy equipment is safe for operation.

### **Current Status 4: Not Implemented**

Waste Resources modified the Fleet Program Guide and inspection forms for compliance with requirements of *Federal Motor Carrier Safety Administration, Title 49 CFR, Section 396.13*. The government code requires daily inspections without the need to be signed and dated by supervisors. As such, Waste Resources does not make this a requirement in their updated procedures.

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We highly recommend, as a best business practice, for Waste Resources to make the signature and date a requirement to document completion of the inspection, ensure compliance with internal policies and procedures, and implement proper monitoring controls for operations. Requiring a supervisor's signature and date reassures that inspections are being completed and documented. Further, this helps Waste Resources in the event of any equipment issues or accidents as it provides evidence of timely and consistent equipment inspections in case of any investigations.