

RESOLUTION NO. 83-338**ESTABLISHING AUTHORITY AND DECLARING POLICY
FOR INTERNAL AUDITS**

WHEREAS, it is the policy of this Board of Supervisors that there be such audits performed as are required by law; as will insure that adequate fiscal records are made and kept and official duty is being properly performed; as will enable management, including this Board and department heads to perform their functions more effectively; and as will promote economy and efficiency in the county government; now, therefore, BE IT RESOLVED by the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on

, that pursuant to Government Code Section 26883, the Auditor-Controller is authorized to audit the accounts and records of any department, office, board or institution under the control of the Board of Supervisor", and of any district whose funds are kept in the county treasury. The following standards and policies shall govern the auditing activities of the Auditor-Controller and the conduct of others related thereto or affected thereby:

I. Standard.

- A. Government Code. Pursuant to Government Code Section 1236, the Auditor-Controller shall conduct a broad, Comprehensive program of internal auditing in conformance with the "Standards for the Professional Practice of Internal Auditing," Issued by the Institute of Internal Auditors. The Auditor-Controller and his internal audit staff, are authorized unrestricted access to all County records, property, and personnel, as necessary for the proper and complete conduct of audits.

B. Other Professions Standards. In addition to the "Standards" addressed in I.A. above, the internal audit function will operate, where appropriate, under the provisions of the Generally Accepted Auditing Standards published by the American Institute of Certified Public Accountants, and Standards for Audit of Governmental Organizations, Programs, Activities and Functions published by the Comptroller General of the United States.

III. Policy.

A. Audit Entities. The following entities shall be subject to audit as indicated:

1. The financial accounts and records of officers having responsibility for the care, management, collection, disbursement of money belonging to the county, or money received or disbursed by them under authority of law shall be audited biennially. (Government Code Section 25250)
2. The accounts and record, of any special district, which does not provide for its legally required Audit shall be audited either by the Auditor-Controller, or by certified public accountant or public accountant contracted for by the Auditor-Controller. (Government Code 26909.)
3. The accounts and records of any department, office, board, or institution under the control of the Board of Supervisors and of any district whose funds are kept in the County treasury shall be

audited by the Auditor-Controller as directed by
The Board of Supervisors. Government Code" Section
26883.)

4. The revolving fund and fixed assets of any officer
Accountable for such resources shall be audited
upon transfer of such resources to a new officer,
or as deemed appropriate by the Auditor-Controller.
5. The financial, operational, and management elements
of any County department, office, board,
institution or function may be audited as deemed
necessary by the Auditor-Controller.

B. Scope of Audits. Audit of entities specified in III.

A. above shall include any single category or
combination of categories of audit scope listed below,
as determined by the Auditor-Controller:

1. Reliability and integrity of financial and operating
information.
2. Compliance with policies, plans, procedures, laws
and regulations.
3. Safeguarding of assets.
4. Economical and efficient use of resources.
5. Accomplishment of established objectives and goals
for operations or progress.

C. Response to Findings and Recommendation. The head of a
county entity audited will reply in writing to the

Auditor-Controller to the specific audit findings and recommendations. The reply will be made within 30 calendar days of receipt of the written findings and recommendations.

D. Distribution of Audit Reports. Audit reports, except for request audits, shall be addressed to the head of the entity audited, with copies to the Board of Supervisors, Administrative Officer, District Attorney, and the Grand Jury. For requested audits, the report will be addressed to the proper authority requesting the audit (unless a different addressee is desired by the requester), with copies to the Board of Supervisors, Administrative Officer, District Attorney, and Grand Jury. Exceptions to the distribution described above is authorized when necessary to comply, with existing statutes.

E. Note. This policy is intended to be compatible with and complimentary to Ordinance # 442, which defined the responsibilities and duties of the County Administrative Officer. The Auditor-Controller and the County Administrative Officer will coordinate their audit efforts, thereby eliminating duplication of work being performed in carrying out their respective responsibilities.

Roll Call resulted as follows:

Ayes: Abraham, Dunlap, Larson, Younglove and Ceniceros

Noes: None

Absent: None