

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



ITEM
2.13
(ID # 3289)

MEETING DATE:

Tuesday, January 24, 2017

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2017-323: Riverside County UNIVERSITY OF CALIFORNIA COOPERATIVE EXTENSION, Follow-up, [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2017-323: Riverside County University of California Cooperative Extension, Follow-up

ACTION: Consent


Paul Angulo, Director of Auditor Controller 1/5/2017

BACKGROUND:

Summary

We have completed a Follow-up Audit of Riverside County University of California Cooperative Extension. Our audit was limited to reviewing action taken as of September 14, 2016, to correct the finding noted in our original audit report 2014-017 dated August 21, 2014.

The original audit report contained one finding, which required corrective action and was reviewed as part of this audit. For an in-depth understanding of the original audit, please refer to Internal Audit Report 2014-017 at www.auditorcontroller.org/Divisions/InternalAudit/InternalAuditReports. This follow-up audit found that the one finding was corrected.

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

C.E.O. RECOMMENDATION:

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

Impact on Residents and Businesses

Provide an assessment of internal controls over the audited areas.

SUPPLEMENTAL:

Additional Fiscal Information

Not applicable

ATTACHMENT A.

Internal Audit Report 2017-323: Riverside County University of California Cooperative
Extension, Follow-up

Internal Audit Report 2017-323

**Riverside County Department of University
of California
Cooperative Extension, Follow-up**

Report Date: November 28, 2016



**Office of Paul Angulo, CPA, MA
Riverside County Auditor-Controller
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www.auditorcontroller.org



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OFFICE OF THE
AUDITOR-CONTROLLER

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Paul Angulo, CPA, MA
Riverside County Auditor-Controller

Frankie Ezzat, MPA
Assistant Auditor-Controller

November 28, 2016

Etaferahu Takele, M.S.
Director
Riverside County University of California Cooperative Extension
21150 Box Springs Road, Ste. 202
Moreno Valley, CA 92557-8718

**Subject: Internal Audit Report 2017-323: Riverside County University of California
Cooperative Extension, Follow-Up**

Dear Ms. Takele:

We have completed a Follow-up Audit of Riverside County University of California Cooperative Extension. Our audit was limited to reviewing action taken as of September 14, 2016, to correct the finding noted in our original audit report 2014-017 dated August 21, 2014.

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 opinion.

The original audit report contained one recommendation, which required implementation to help correct the reported finding. For an in-depth understanding of the original audit, please refer to Internal Audit Report 2014-017 at www.auditorcontroller.org/Divisions/InternalAudit/InternalAuditReports.

This follow-up found that the one recommendation was implemented.

**Internal Audit Report 2017-323: Riverside County University of California Cooperative Extension,
Follow-up**

Details of the finding identified in the original audit and the status of the implementation of respective recommendation is provided in the body of this report. We appreciate the cooperation and assistance extended to us by staff of the Riverside County University of California Cooperative Extension during this follow-up audit. Their assistance contributed significantly to the successful completion of the audit.

Paul Angulo, CPA, MA
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA
Interim Chief Internal Auditor

cc: Board of Supervisors
Executive Office
Grand Jury

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Capital Assets

Finding 1

Riverside County University of California Cooperative Extension (UCCE) did not have a procedure or policy in place to ensure the acquisition of capital assets were properly recorded or reported. In December 2012, UCCE replaced a leased copier with the purchase of a new copier costing \$12,975.20. The acquisition was not recorded in the Asset Module or reported to the Auditor-Controller's Office via a Standard Practice Manual AM-5 form as required. Failure to properly record and report capital asset acquisitions negatively affects the process of identifying, controlling, and valuing county assets.

Recommendation 1

UCCE record capital assets in the asset module and notify the Auditor-Controller's Office in accordance with SPM 901.

Current Status 1: Implemented

UCCE recorded the capital assets (copier machine) on the "Capital Assets Form: Acquisitions, Betterment & Modifications (AM-5)" on June 26, 2014, and forwarded it to the County Auditor-Controller's Office.